SENATE—*Wednesday, July 13, 1994*

(Legislative day of Monday, July 11, 1994)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable BYRON L. DORGAN, a Senator from the State of North Dakota.

PRAYER

The Reverend Richard C. Halverson, Jr., of Arlington, VA, offered the following prayer:

Let us pray:

Vanity of vanities, saith the Preacher, vanity of vanities, all is vanity. What profit hath a man of all his labor which he taketh under the sun?

Let us hear the conclusion of the whole matter: Fear God, and keep his commandments: for this is the whole duty of man.—Ecclesiastes 1:2,3; 12:13.

Almighty God, as we open in prayer, we are mindful of the frustration which inevitably accompanies the business of legislative action. May those who labor here be reminded that the apparent roadblocks which often impede our way only serve to lead us to our ultimate solution in Thee.

In the midst of trying circumstances cause us to learn what President Abraham Lincoln came to understand when he said:

"I have been driven many times to my knees in prayer by the overwhelming conviction that I had nowhere else to go."—McCollister, John. "* * * so help me God," Landmark Books, 1982.

In Him who is the Way, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 13, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BYRON L. DORGAN, a Senator from the State of North Dakota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. DORGAN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS

MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the motion to proceed to S. 55, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of S. 55, a bill to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

The Senate resumed consideration of the motion to proceed.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10 a.m. shall be equally divided and controlled between the Senator from Ohio [Mr. METZENBAUM] and the Senator from Utah [Mr. HATCH] or their designees.

Who seeks recognition?

Mr. METZENBAUM addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM. Mr. President, I want to emphasize once again, as we turn to the second day of debate with respect to the motion to proceed on S. 55, that the American people support a ban on the hiring of permanent replacements by an overwhelming majority, by a vote of 2 to 1 in the most recent poll.

The President and a majority of both Houses of Congress support it as well. But the Republican leadership, true to form, frankly, is just not concerned about the interests or needs of American workers and is blocking this bill from moving forward.

Yesterday, the Republican leadership successfully blocked the first cloture vote. I would like to thank publicly Senators HATFIELD, SPECTER, and D'AMATO who voted for cloture, along with 50 Democrats. But, unfortunately, the other 41 Republicans voted to keep the Senate from fully debating or voting on this bill. I think that is shameful.

Yesterday after the vote, Senator CONRAD urged other Senators to vote for cloture today so that we may consider compromises which might break the stalemate over this bill. In particular, Senator CONRAD indicated his intention to offer an amendment which would encourage the parties in a labor dispute to resolve their differences through a neutral third party factfinder.

I believe very strongly that this bill should pass as written. But I also recognize that compromise is part of the legislative process. I applaud Senator CONRAD's efforts to end the Republican filibuster and allow the Senate to do something to help the working people of this country. When this bill was on the floor 2 years ago, Senator PACKWOOD offered an amendment, and I know that a number of the Members of this body felt that that amendment moved in the right direction. I must say frankly that I am disappointed that Senator PACKWOOD has not seen fit to move forward with offering some constructive amendment again but rather has opted out to join his Republican colleagues and vote no on this bill.

Frankly, this is a party matter on the Republican side. The Republican Party is not concerned about fairness in the workplace, where tens of thousands of workers have lost their jobs for exercising a federally protected right. Nor is the Republican Party concerned about fairness in the democratic process where a majority of Americans, a majority of their elected representatives want to enact this bill.

Why is the Republican leadership opposed to this bill? Does it impose a new tax? No. Is it an unfunded mandate? No. Will it increase the deficit? No.

Here it is, America: The Republican Party is filibustering this bill because they claim that it will destroy U.S. competitiveness in the global marketplace. I am truly shocked. I am amazed. I had no idea. Who is kidding whom here?

I have deep respect for my Republican colleagues, but give me a break. Every single time the Senate considers legislation to protect the rights of American workers, Republicans drag out the same wornout cliche. Every single time, with no exception. Frankly, it should be embarrassing to them. It is an insult to American workers who built this country and made it what it is today.

Let us go back through the CONGRESSIONAL RECORD and you will hear the refrain of this tired old Republican song every year. You can get a violin and put it to music. Take the last 6 years as an example. Go back to 1988 when my friend and Republican colleague, Senator HATCH, warned that the plant closing notice law would compound the difficulties American companies have had making significant

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

inroads into foreign markets. Likewise, my Republican colleague, Senator THURMOND, claimed that the plant closing provision would limit the ability of American business to compete with overseas manufacturers.

Yet, after its enactment, the 60-day notice bill had no impact whatsoever on the competitiveness of U.S. industry, prompting U.S. News & World Report to call it "the disaster that never happened."

Go back to 1989 when we heard the same refrain from Republicans when Congress raised the minimum wage from $3.85 an hour to $4.25. We will not be able to compete, said the Republicans. How absurd can we be to suggest that paying workers $4.25 an hour will make it impossible for us to compete. With whom will we not be able to compete? The poorest workers in the world in some of the far-off nations of the world who are being paid $1 a day or $2 a day? We certainly will be able to compete with every industrialized nation in the world which pays substantially higher wages than that, and we, in America, pay substantially higher wages than that.

But the Republicans, because there was just this little bit of a difference—$3.85 to $4.25—said we will not be able to compete.

Five years have passed and there has not been one shred of evidence that those amendments have had any impact on our competitors. Not a scintilla of evidence.

Go back to 1990 and 1991 when Congress had considered and enacted the Civil Rights Act of 1991. Senator COATS and two of his Republican Labor Committee colleagues told us that allowing women to recover damages for sexual harassment "would impose a substantial increase on the costs of doing business in the global marketplace."

Again, 3 years later, we know how absurd that prediction was, and my guess is that those who uttered those words would like to take them back.

Go back to 1992 when the Republican leadership predicted that the OSHA reform legislation pending in Congress would "hurt the ability of American employers to compete effectively in world markets." In fact, workplace accidents cost our economy over $100 billion a year, and by cutting those costs OSHA reform will only improve our competitiveness.

Go back to 1993 when Senator HATCH said the family and medical leave act would "undermine our ability to compete in the world marketplace."

We ought to give the Republicans a patent on this language, "undermine our ability to compete in the world marketplace." Every time we bring up a bill having anything to do with the rights of American workers in this country, they always talk about undermining our ability to compete in the world marketplace.

In fact, our principal foreign competitors already provide far more extensive family and medical leave than the new law provides, and they provide paid leave, not unpaid leave as we do. In the competitive market, they go much further than we do.

But the Republicans see fit to claim that somehow it is going to affect our competitiveness.

So pardon me, Mr. President, if I do not get too excited by protests from across the aisle that this bill will hurt our competitiveness. There are just so many times the Republican Party can cry wolf before people stop taking it seriously. Frankly, this criticism has no credibility anymore.

Members on the other side of the aisle are not judging this legislation on its merits. They have not looked at what is right and what is wrong. What they have done is they have said we will support the Republican leadership; we are engaged in a filibuster to keep this matter from coming to a vote in the Chamber. It is a matter of party loyalty. Fortunately, three Members on that side did not see fit to take that oath. But across the board, all the rest did.

This argument is more of a red herring in this debate about this question of competitiveness than it has been in the past. Virtually all of our significant trading partners already prohibit the hiring of permanent striker replacements in response to a strike. That includes Japan, many Canadian provinces, Germany, Belgium, France, Greece, the Netherlands, Italy, and Sweden. These countries have obviously determined that long-term labor-management relationships yield competitive benefits. In fact, in many of these countries, the trade union movement is stronger than our own and growing. Does that put these countries at a competitive disadvantage? Apparently not.

So the rationale for the Republican Party's opposition to this bill dissolves on closer inspection. In reality, that claim is just a smokescreen for the agenda of the National Association of Manufacturers and the U.S. Chamber of Commerce and the rest of the big business community; namely, reaping corporate profits on the backs of hard-working American families.

If anything, the Workplace Fairness Act may actually improve our competitiveness. The hiring of permanent replacements often causes so much disruption to an employer's work force and to the community as a whole that it impedes a company's ability to compete.

When you bring in striker replacements, there is a certain kind of turmoil that it brings. These are not employees who know how the plant operates, who know where the plant facilities are. These are new people, and sometimes they come in with some of the old people and some of the new people as well, and you have nothing but turmoil.

That was the conclusion reached by the researchers from the City University of New York in a 1992 study called The Costs of Aggression. They concluded that "in today's highly competitive economic environment, the losses associated with union busting exact a high toll on the entire country, at a time when we all depend on an economy able to meet aggressive foreign competition."

So it is the hiring of permanent replacements that hurts our competitiveness, not this bill. It is time we stopped trying to destroy trade unionism in America and look to our trading partners on lessons on how to foster it. It is time to remember that America has been strongest in the world's markets when our trade union movement was healthy and vibrant.

Columnist Jon Talton of the New Mexican put it this way:

> Every working American owes such basics as sick pay and the 8-hour day to labor unions—executives who revel in union busting are hardly building the framework for employee trust and involvement that is so essential to productivity.

Mr. Talton goes on to say:

> Unions are an indispensable counterweight that helps keep everybody honest in free market capitalism. If unions are hurting, so is the free market.

So I must say to my colleagues, when you hear that this bill will hurt our competitiveness, do not be fooled. The Republican leadership trots out that same baseless prophecy every single year, every time the Senate considers a bill to protect workers' rights.

American workers built this country, and they made it great. Our successes in world markets would not have been possible without their efforts. But the Republican leadership says to them: "Sorry; tough luck; we can't give you any rights because we won't be able to compete."

That is offensive to me. It is offensive to American workers. It is offensive to the principles on which this country was built.

Our foreign competitors promised their workers a meaningful right to strike, and they have kept their promise. They delivered on that promise. They have had great success in world markets. It is time that we delivered on that promise as well.

Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who seeks recognition?

The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, we have a few people who want to speak on this side, so I hope they will come over now because we have a limited amount of time to use. But until they do, I will just say a few words.

Mr. President, we all know what is involved here. This is not a question that we have an inability to compete; we will find some way around any issue. It is not a question of unfairness. It is a question of whether we are going to change our labor laws in such a way as to take away the delicate balance between management and labor that currently exists and that forces both of them to the bargaining table.

I do not want to give an edge to the business community, nor do I wish to give an edge to the trade union community. Both need to be there in that delicate balance. The current law does have an edge. For instance, the trade union movement has a right to strike. I have said I would fight to my death to keep that right alive. I think it is an awesome economic power, but it is one that is deserved by working people. It is their big leverage in making sure they can be treated fairly. The strike threat is a strong incentive for business to bargain and to be reasonable.

But to offset that, so that there is an equal incentive to the unions to be reasonable, business has a right to hire permanent striker replacements to save the business from shutting down. But even so, they do not have a right to exercise that right if there is an unfair labor practice charge. If they are not bargaining in good faith, which would be an unfair labor practice, then the business community has no right to hire permanent replacements.

The law says the business community has to act in good faith, and they have to bargain in good faith. But so does the union. In other words, we try and bring them together.

As of the late 1980's, in only 4 percent of all strikes has the employer really exercised his option under the Mackay Radio case and subsequent Supreme Court cases and subsequent congressional endorsements to hire permanent striker replacements. Only 4 percent of strikers. And then it went down in a subsequent year—in I think 1989 or 1990—to 3 percent.

In those particular cases, the business had no choice other than to hire permanent striker replacements to save their business. So it is not a widespread abuse. Most unionized businesses are larger businesses. Most of them do not want to put up with a strike. Therefore, they will come to the table and bargain and sometimes they will give in more than they should, and vice-versa. That is the process.

But where the unions do exercise the right to strike and the strike is prolonged, the business can then say, "I cannot put up with this anymore. If you don't come to the bargaining table and agree to reasonable terms, we are going to have to replace you with permanent people." If the business decides to do that—and, as I have said, that is the case in very few instances because most large businesses that are unionized would rather work with the union and one bargaining representative than every employee being a bargaining representative. It is a way of keeping things moving. There are advantages to being unionized, and many large businesses recognize them. So they do not like a strike, and they do not like to fail to sit down at that bargaining table and resolve that strike.

Let us assume it comes to the point, as it has in a few instances, where the business says we have to replace these people permanently, and they do. Under current law they cannot do it if they have committed an unfair labor practice. They cannot do it if they have not bargained in good faith. But assuming that they have done everything right, and it is a purely economic strike, and they do replace them, then the union workers can still have the jobs that come open. From that point on, jobs have to be offered to the union members first. So there is even a little protection there. It is a protection that gives the union movement a little bit of an edge. I am for that.

And I kind of feel badly that my dear friend and colleague from Ohio feels it is a Republican issue. Yes, more Republicans are voting against striker replacement than Democrats. But it is a bipartisan vote. We had six Democrats yesterday who voted with us against cloture. Really, if it was not for the dominance of the trade union movement, you would have more votes against the billion on the Democratic side. This is a tremendous effort to overreach and a tremendous power grab. And I cannot blame the unions for wanting to do that. They not only have the right to strike, which is an awesome economic power, but they want the power to win the strike. I cannot blame them for that. The unions want to get that. But that does not make it right.

I have had people through the years, as we fought some of these excessive pieces of legislation, come to me and say, "Please stop it." People who are going to vote for it, but it was very bad legislation. This is an excessive power grab that would upset this delicate balance and cause untold problems in the future, and many of my colleagues recognize this.

So I am very concerned that we look at this matter in an intelligent way. I do not think anybody would cite Canadian law, which does not allow the hiring of permanent striker replacements, as an example. Now they have more strikes than ever, exactly what we predict if this legislation should pass.

I do not think people in Europe have better labor laws. In Germany, if it would affect the company drastically economically, the Government can just stop the strike. It would be pretty tough to be able to show that most strikes, especially over prolonged periods of time, would not affect the company. So there are not many strikes in those nations because their laws are not as tough as ours in the protection of trade unions. I will not go through those laws again. I did the first day of this debate on Monday.

The fact is that this is an overreach. When the Senator talks about plant-closing legislation and more is going to happen if plant-closing legislation is passed, that is true. The final bill that passed was certainly a lot less than what the distinguished Senator from Ohio was asking when he first brought this bill to the floor. I have to admit that I think there is plenty of evidence that this law has hurt a lot of businesses but not nearly as much as the original legislation. Had we not fought it, it would not be nearly as reasonable as it is, and I still think it is bad law. It passed the Senate, and I accepted that.

The data from the GAO study on striker replacement has been cited repeatedly. As previously noted, those permanent replacements were used in only 17 percent of strikes in the late eighties. Further, and even more importantly, it shows that in 1985 and 1989 the percent of striking workers permanently replaced was only 4 percent in 1985—that is, on all the striking workers—only 4 percent were affected in 1985 and 3 percent in 1989 respectively. It is likely, but not certain, that the actual percentage is even smaller since the GAO statistics classified them as "permanent replacements" even though strikers might have gotten their jobs back because the strike was found to be an unfair labor strike. So the figures would actually be less.

Studies by the Bureau of National Affairs are entirely consistent with the GAO results, and may in fact demonstrate a downward trend in the use of permanent replacement. Most notably, a recent survey conducted by the Bureau of National Affairs reported in 1991 that striker replacement was used in only 14.6 percent of strikes. The data included both temporary and permanent replacements.

So it is even down below the 4 and 3 percent. This recent study confirms not only the fact that the use of permanent replacements is not widespread but also that the use of permanent replacements has not shown a significant upward spiral through the eighties and early nineties.

I ask unanimous consent that this letter to Senator KASSEBAUM dated May 13, 1994, from the Director of Information of the National Labor Relations Board be printed in the RECORD at this point.

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

NATIONAL LABOR RELATIONS BOARD,
Washington, DC, May 13, 1994.
Hon. NANCY LANDON KASSEBAUM,
Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KASSEBAUM: This is in reply to your letter of May 11, 1994. The National Labor Relations Board does not keep statistics on the percentage of strikes involving permanent replacements. Accordingly, we do not know whether the figures in the chart are accurate. If I can be of further assistance, please let me know.

Sincerely,

DAVID B. PARKER,
Director of Information.

Mr. HATCH. This letter says:

DEAR SENATOR KASSEBAUM: This is in reply to your letter of May 11, 1994. The National Labor Relations Board does not keep statistics on the percentage of strikes involving permanent replacements. Accordingly, we do not know whether the figures in the chart are accurate. If I can be of further assistance, please let me know.

So there have been citations on charts here on the floor, and the fact of the matter is that probably the use of permanent striker replacements is even less than 4 and 3 percent respectively in 1985 and 1989.

Let us just be honest about it. This is as bill to stack the deck in favor of the unions instead of maintaining the delicate balance of power that I think most people who really look at this honestly prefer and hope will be maintained.

That is what we are fighting about here today. I know that many on the other side are very, very sincere about this; not all. They would like to get this benefit for the union movement. But I do not think that the unions are what they were. I worked in the building and construction trade unions for 10 years. At that time 85 percent of all the heavy duty construction in this country was done by trade union companies—unionized companies. We were proud of what we did. Our apprenticeship programs were the best. Our skills were the best. Today it is exactly the opposite.

About 85 percent of all the major construction in this country is done by merit shop contractors or nonunion contractors. Something is wrong here. We have tried to stack the deck in favor of the trade unions all the way through. I am proud of the union movement in this country. I know that they can do a better job. I know that they have economic power and the power to strike that will help them in any collective bargaining negotiations. I know they have the power to get management to come to the table.

So we do not need this legislation. This legislation would be detrimental to the country. I hope our colleagues will support our vote against cloture here today.

Mr. President, I reserve the remainder of our time.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Connecticut. Who yields time to the Senator? Does the Senator from Ohio yield time?

Mr. METZENBAUM. How much time does the Senator desire?

Mr. DODD. Five or six minutes.

Mr. METZENBAUM. I yield 5 minutes to the Senator from Connecticut.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut is recognized for 5 minutes.

Mr. DODD. Mr. President, I thank my colleague from Ohio and commend him for his efforts in this regard. This issue has received a great deal of attention and has generated some heated debate, all across the country, since it has been introduced as a legislative proposal. I am not going to take a great deal of time because I know others have already spoken on this issue.

What my colleagues certainly know, or ought to know, is that what we are debating here is whether or not we can debate. This is a cloture motion. We are not debating the bill yet. The issue is whether or not we will be able to discuss and debate a proposal that would try to redress an imbalance that has occurred in labor relations. This is not unique; imbalances occur all the time in many different sectors of our society.

What we are hoping here this morning is that we will be able to end a filibuster and then move on to discuss and debate a piece of legislation that will try to correct an imbalance. That is all this is about.

So I am hopeful that at the end of this discussion, a little later this morning, 60 members—10 more than a simple majority—will see fit to allow a debate to go forward on this issue and then allow amendments to be offered to modify the legislation that has been introduced. Defeat the legislation, fundamentally change it, or do whatever; but at least allow us the opportunity to debate and to vote on whether or not we ought to redress what many of us think—what a majority of us think, I would point out—is legitimately an imbalance between labor and management.

As its name would suggest, Mr. President, this legislation is about fairness. We have long recognized in this country that between labor and management there is a balance: Management can withhold wages and benefits during an economic crisis at a particular facility or plant. Labor, on the other hand, can withhold its labor, its hands, if you will. That is the balance—wages and benefits on one hand, your labor on the other.

I presume we would think it ridiculous if somehow, through some loophole, management was required during a strike to maintain fully all economic benefits to the striking work force, that regardless of what happened, management had to continue to do that. I presume someone would stand up and say, wait a minute, that is not fair, you have an imbalance here.

In this case, however, if members of a work force go out on strike—which no one likes to see because of the tremendous disruptions that occur—management can now hire not just temporary employees, but permanent employees. If these replacements were temporary, the debate would be somewhat different. But under the current Supreme Court interpretation, management can hire permanent replacements for you and say you cannot come back here.

I ask you, from a common sense point of view, what has happened to that delicate balance between labor and management once we have undercut the ability of labor to withhold its labor in trying to reach some agreement? Can we honestly say we have equilibrium if we say to one side of the equation that you cannot come back, that we are going to hire permanent replacements for you; that you are out?

What the Senator from Ohio and at least 52 others of us around here are trying to do is redress that imbalance. That is what this motion is all about, to get us to the point where we can address that inequity. Basic fairness is at the heart of this legislation. This fundamental right, if you will, has been badly eroded; that is, the right to withhold your labor in order to facilitate meaningful negotiations.

Mr. President, working men and women of this country have paid a very dear price indeed for the erosion of this right. The delicate balance to which I referred has tilted more and more as employers increasingly exploited the loophole that allows them to hire permanent replacements. Frankly, I think it all began to worsen after the disastrous PATCO strike in 1981—if I were forced to pick a single moment in time when things began to shift dramatically, I would point to the air traffic controllers dispute.

This is not a theoretical debate for working men and women in this country. They have seen their standard of living slip year by year. They have seen their paychecks shrink and benefits fall. They have seen their ability to make ends meet and raise a family come under attack.

Mr. President, they have seen all of these things happen and, at the same time, they have seen their right to do something about it slip away like sand between their fingers.

This was not supposed to happen, Mr. President. The hiring of permanent replacement workers is clearly not what Congress had in mind when it passed the National Labor Relations Act. This practice severely undercuts, as I said a moment ago, the only meaningful leverage that workers have in an economic dispute, and it encourages employers, in my view, to walk away from the bargaining table. Why would you stay? Why would I stay and negotiate

if I can permanently replace you? What is the benefit to me to stay and negotiate, after all? I will just hire new people and break your back. That is, in a sense, what we are allowing now.

According to data gathered by the Bureau of National Affairs, replacements were hired during a strike 45 times in 1993. Fewer than half of those disputes ended with striking workers being reinstated.

S. 55 would redress the imbalance reflected in these numbers. It would prohibit employers from hiring permanent replacements for employees who are engaged in a strike over economic issues. Additionally, it would prohibit employers from discriminating against strikers by giving preference to workers who offer to return to work over those employees who continue to participate in the labor dispute.

Again, I congratulate my colleague from Ohio for his leadership on this legislation. Allow us to get to the debate on this. This is unfair. We are seeing a tremendous injustice being done. There are other debates we have around here, about minimum wage for example, where people can honestly disagree about what is the right level to set. But let us not perpetuate this significant unfairness and imbalance. Let us vote cloture and allow a debate to go forward.

The ACTING PRESIDENT pro tempore. The Chair advises Senator METZENBAUM that he has 7 minutes 40 seconds. Sixteen minutes remain on the other side.

Mrs. KASSEBAUM addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, we have had 3 days of debate and, I think, good debate, both pro and con, on this very important issue.

This is not an issue about party loyalty. As the Senator from Utah [Mr. HATCH] pointed out, there are Democrats who oppose S. 55 and Republicans who support S. 55, though not a large number on either side. But it clearly is not just a question of party loyalty.

I suggest that it is a question of workplace fairness for both labor and management. It has been stated on the floor during the course of these 3 days, Mr. President, that those of us who oppose S. 55, and those of us who have opposed cloture, do not care about the American work force. As the Senator from Maine [Mr. COHEN] pointed out, that is just too simplistic. We do care about the American work force and the American workplace. As a matter of fact, those of us who oppose S. 55 really are in favor of fairness. In the long run, if S. 55 should pass, it will mean further turmoil, further uncertainty, and greater instability.

As the Senator from Ohio [Mr. METZENBAUM] said, replacing workers does take a toll. That is why most management would prefer not to have to replace workers. It takes a toll on those in the labor force who go out on a prolonged strike, as well. Current labor law for the last 50 years has provided stability which allows both sides to come to the bargaining table with some leverage—some leverage for labor, because they can strike, and that would break off negotiations. Management has some leverage as well, in that they have been able, for 50 years, to have permanent replacements. One would not permanently replace workers gratuitously. That is just as unsettling as prolonged strikes; both take a toll.

What this is about, I suggest, is trying to maintain current labor law which leads to a greater desire for both labor and management to come to the table in good faith in bargaining sessions. This is done most times.

The Senator from Connecticut [Mr. DODD] mentioned the PATCO strike. He said, as has been stated before, that many of the cases involving permanent replacement workers came after that strike in the eighties, when management was taking advantage of a new atmosphere. But there were strikes prior to the eighties and during the seventies in which permanent replacement workers were hired. Not many permanent replacement workers were hired just as not many are hired today, nor should there be. But it should be an option that is available.

It has been said during the course of this debate that other countries that have banned permanent replacements have had a glowing record in labor-management relations. We need only compare unemployment rates. Ours in the United States is 6 percent; Canada has an unemployment rate of 10.4 percent; and the European Community has an unemployment rate of 10.9 percent.

These are not rates that we want to emulate. What we want to achieve is even a lower unemployment rate than 6 percent. What we want to encourage is harmony in the workplace. S. 55 would only discourage harmony in the workplace. It would turn the clock back and we would lose the opportunity to encourage both labor and management to use the leverage that both have in order to find a harmonious relationship that will provide security for American workers in the future.

I yield back the floor, Mr. President, and reserve the remainder of my time.

The PRESIDING OFFICER (Mr. DODD). Who yields time?

Mr. METZENBAUM. Mr. President, I yield 3 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I think one of the most moving speeches I have seen or heard as a Member of the Congress came a few years ago from a fellow who previously had been an unemployed electrician at a shipyard in Gdansk, Poland. He had been beaten and bloodied and thrown over the fence for leading a labor strike against the Communist Government of Poland.

As he lay there bleeding on a street, wondering what to do next, he pulled himself back up and went back over the fence to lead the strike against the Polish Government.

The purpose was for a free labor movement for democratic principles in Poland.

Ten years later, this unemployed electrician, who was beaten badly because he wanted to lead a strike for a democratic labor movement against a Communist government, was introduced over in the House of Representatives as the President of the country of Poland.

Do you know what he said to us? He said we did not even break a window pane. They had all the guns; they had all the bullets. We had something far more powerful. We had an idea. We were working men and women armed with an idea, and that idea was democracy, democracy in the workplace.

And that idea ought not be out of fashion anywhere, especially in this country, the greatest democracy in the world. But there are too many people who think that principle of democracy in the workplace was just wonderful for Poland when Lech Walesa was leading a strike against the Communist government, but it does not quite fit for Peoria or Pittsburgh.

Well, I heard a news report last night when this issue was on the floor of the Senate about replacing striking workers who were striking for higher wages.

Let me talk about one worker, a 50-year-old truckdriver. He worked 16 years. I talked to him and his wife. They were not striking for higher wages. They were offered by his company, as was his bargaining unit, lower wages, 15 percent lower. All right. That is fine. They took a 15-percent pay cut. Then the company came around 2 years later and said: Now we want another 20-percent pay cut.

He and his fellow workers knew it was unfair because this company was making money. They said: No, we are not going to do that this time. The company would not budge. So they went on strike.

This man and his family had 16 years committed to this company. Do you know what the company did? It said, "If you go on strike, it is over; you are fired."

That, in a democracy? It is wrong. And that is what this issue is about.

This is not about unfair labor practices by workers who are greedy for more money. This is about protecting people who have a right to strike. If you say to companies that if a collective bargaining unit goes on strike, you can fire them, they have no right

to strike, you have severely injured economic democracy; in fact, you have taken away economic democracy in the workplace.

That is what this issue is about. You can paint all other characters about it that you like. But it is fundamental fairness for working men and women in this country. And I am pleased to support cloture.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

If no one yields time, the time will be deducted equally from both sides.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, how much time does the Senator from Ohio have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 4½ minutes.

Mr. METZENBAUM. Mr. President, I yield 4 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 4 minutes.

Mr. KENNEDY. Mr. President, I want to make sure that the Members are familiar with an excellent letter that was written by the President of the United States to Donald Fites, who is the chairman and the chief executive officer of the Caterpillar Corp. and I will include it in the RECORD. But I think one part of the letter that deserves to be included at this point in the RECORD is the part of the letter where the President says:

> I believe that the threat or implementation of replacing striking workers has a poisonous effect on the relationship between workers and employers, and it does great damage to the collective bargaining process. I am currently fighting to get Congress to pass S. 55 in the Senate so that we can ban the tactic of hiring permanent replacements as a means to break a strike. Whatever the outcome of this legislative battle, I strongly believe that this practice must stop because it deters the type of collective bargaining and cooperative work forces that we need to prosper in the new world economy.

That is a very clear statement of principle, Mr. President, by the President of the United States about the importance of this legislation.

Mr. President, this issue is about real, flesh-and-blood workers—people like the 450 workers in Massachusetts who have been permanently replaced since 1988. These workers and their families deserve our help. This issue is about their jobs, their livelihoods, and their families' future. It is about people like Lori Pavao, a former aide in a nursing home in Fall River, who was permanently replaced when she and other aides and members of the dietary and housekeeping staff went on strike in 1989. She recently described what happened to her:

> I worked there for 8½ years. A lot of patients were like family to me. I felt lost for awhile. I did not want to start all over somewhere else. You always hear about people going out on strike and people going back. I just never dreamed that it would be over that way. I thought I was going to retire from that place.

This issue is about workers like the women at Diamond Walnut. They gave decades of their lives to that company. They agreed to 30-percent pay cuts in their meager wages to help their company survive when it was facing difficulties. Yet they were thrown out on the street when the company recovered and made record profits—in large part because of their sacrifices.

This issue is about the workers at Burns Packages in Kentucky, 45 percent black, 40 percent female, who were making $4.70 an hour when they decided to form a union. They asked for a 5-percent pay raise to just $4.95 an hour, and grievance and arbitration procedures for resolving complaints about unfair treatment on the jobs. But when they went on strike after 12 months of fruitless negotiations at the bargaining table, they were immediately and permanently replaced.

What is at stake here is the standard of living for working men and women. The country has suffered a 20-year decline in real wages.

Hourly compensation has fallen compared to other major industrial nations. The downward spiral in wages has coincided with a reduction in the percentage of union workers.

According to the Congressional Budget Office, between 1977 and 1989, the after-tax income of the top 1 percent of families rose more than 100 percent—while that of the bottom 20 percent fell nearly 10 percent.

The Census Bureau also recently reported that the percentage of full-time workers whose wages are too low to bring them above the poverty line has increased from 12 percent in 1979 to 18 percent in 1990—a development which the Census Bureau itself described as "astonishing."

In the 1980's, we stood virtually and ominously alone in the industrial world as a nation where the disparity in income between rich and poor grew wider. That is not a healthy trend for any country, and certainly not ours, which is based on the principle of fair opportunity for all.

The facts are disturbing. The ratio in earnings between the top 10 percent of wage earners and the bottom 10 percent is wider in the United States than in any other industrial country. The bottom third of American workers earn less in terms of purcha_ing power than their counterparts in other countries.

At the same time, Americans are working harder than workers in other industrialized countries. Our workers now labor 200 hours more a year than workers in Europe. While vacation and leisure time have increased over the past 20 years for Europeans, they have declined for most Americans.

Health care for American workers has also become increasingly expensive. Many employees across the country have gone without pay increases in order to obtain good health care, only to see their health benefits cut back and be asked to pay a greater percentage of their health costs. Since 1980, the share of workers under 65 with employer-paid health care has dropped from 63 percent to 56 percent. The percentage of workers covered by employer-provided pension plans is also rapidly decreasing.

While the earning power of workers has been falling, the compensation of top CEO's—which was about 35 times the pay of the average employee in the 1970's—has soared to 120 times the average employee pay in the 1990's.

This legislation offers us a chance to take a stand against all of these disturbing trends. Ending the practice of permanently replacing workers will not solve all the problems of working Americans, but it can help to turn the tide.

Mr. President, in the course of the debate over this bill, a number of the opponents have attempted to argue that this bill is unnecessary because the use of permanent replacements is too infrequent to justify a legislative response. But the tens and thousands of workers around the country who have lost their jobs for exercising the legal right to strike bear witness to the need for action.

Study after study has shown that the use or threat to use this tactic has soared in recent years, and that it is now a routine tactic in collective bargaining negotiations.

In a survey conducted by the Bureau of National Affairs earlier this year, 82 percent of employers said that if their employees went on strike, they would attempt to replace them, or would consider doing so. And of those employers, more than one in four said the replacements would be permanent.

This problem is serious, and it is clearly growing. The results of a recent study by Teresa Anderson-Little of the economics department at Notre Dame University make the point.

By searching electronic data bases, published legal articles and National Labor Relations Board cases between 1935 and 1991, she identified 632 strikes involving the use of permanent replacements. Her study is the largest data base of any studies conducted to date.

Her research confirms that the use of permanent replacements was extremely rare in the first 40 years following passage of the National Labor Relations, and that the increase has been dramatic in recent years.

The study shows that for nearly 40 years—from 1935 through 1973—there was an average of only six strikes a year in which employers hired permanent replacements.

Beginning in 1974 and continuing through 1980, the average number of

strikes per year involving permanent replacements climbed steeply, to triple the prior level. From 1981, the year President Reagan permanently replaced the striking PATCO workers, through 1991, the average rose even higher to 24 strikes a year—4 times the original level.

Opponents of this legislation claim that the ability of employers to permanently replace workers helps to promote more cooperative labor-management relations, and prevent disruptions to the economy caused by strikes. But the Anderson-Little study confirms that the use of permanent replacements significantly prolongs strikes and prevents disputes from being settled.

The study shows that while the average duration of strikes over the past half century has ranged from 2½ weeks to 4 weeks, strikes involving permanent replacements have consistently averaged seven times as long.

The Bureau of Labor Statistics stopped keeping comprehensive data on strike duration in 1980's, so the Anderson-Little study covers strikes only through 1979.

However, studies involving limited samplings of strikes during the 1980's and 1990's confirm that the tactic of hiring striker replacements leads to longer strikes.

Using a GAO-compiled data base of strikes in 1985 and 1989, Professors Cynthia Gramm and Jonathan Schnell of the University of Alabama found that permanent replacement strikes lasted three times longer than strikes where the tactic was not used.

A survey of strikes involving members of the Steelworkers Union from 1990 to the present found that where temporary replacements were used, the average strike lasted 121 days, but when the employer hired permanent replacements, the average lengthened to 284 days.

The reason is obvious. Once permanent replacements are hired, the union and the employer are suddenly at odds on the issue of reinstating the striking workers, which dominates the rest of the bargaining. Strikes become more bitter, and more difficult to resolve.

Studies like the Gramm-Schnell study have consistently found that employers now hire permanent replacements in 20 percent of all strikes, and threaten to hire replacements in another 15 percent of strikes.

The notion that we can sit back and let this practice continue because workers are permanently replaced in only one out of five strikes is both heartless and irresponsible. Every single worker who is permanently replaced is one too many.

We know that the livelihoods of real, flesh-and-blood workers are at stake behind these statistics. The Industrial Union Department of the AFL–CIO has provided the Senate with the names of 19,722 strikers who were permanently replaced in strikes that occurred in the 1980's and early 1990's. And those are names from just a limited sample of the strikes occurring during that period.

Opponents of this legislation also argue that replaced strikers have the right to be placed on a preferential hire list considered for future openings if the permanent replacements leave. But the fact is, very few such workers ever return to work with their previous employer. Many never recover, financially or emotionally, from the devastating experience of losing their jobs for exercising what is supposed to be a legally protected right.

The striker replacement bill has solid support from religious groups, civil rights groups, and women's groups. They understand that this issue is not an abstract power struggle between big business and big labor. This is about real people being deprived of the only power they have to counteract the enormous power of employers to exploit workers unfairly and dictate wages and conditions on the job.

Opponents also claim that this bill is only about economic strikers, and that workers who engage in strikes caused or prolonged by unfair labor practices are already adequately protected by law from being permanently replaced. But workers who strike over unfair labor practices are just as vulnerable to being permanently replaced as economic strikers, because the determination of whether a strike is an unfair labor practice will not be made until long after the strike is over.

On the average, it takes more than 2 years for a charge alleging that an employer has committed an unfair labor practice to be decided by the National Labor Relations Board. If employers exercise their extensive appeal rights, even more years will pass before a final decision is reached by the courts. Even if the employer is found to have violated the Act, the back pay for the employee will be reduced by any earnings they have made in the interim. Only at that point is the employee legally entitled to return to his job.

The Workplace Fairness Act will ban the practice of permanent replacements generally, and end the distinction between economic strikes and unfair labor practice strikes. It will also prevent the injustice to unfair labor practice strikers that is caused by the current system.

Workers will no longer have to guess and gamble at the outset of a strike as to whether the strike will or will not be found years later to be an unfair labor practice strike. Workers will know at the beginning that their right to strike is legally protected, and employers will know that they cannot permanently replace the strikers. The need for prolonged and wasteful litigation to determine whether the strike was an economic strike or an unfair labor practice strike will be eliminated.

By passing this legislation and reaffirming this country's commitment to collective bargaining, we are reaffirming our commitment to a fair balance between labor and management. We will be standing up for the original historic intent of the labor laws, which have done so much for the country in the past half century. This legislation will close a loophole that undermines good relations between business and labor, and I urge the Senate to approve it.

Mr. President, I request that the President's letter to Mr. Fites be printed in the RECORD.

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

THE WHITE HOUSE,
Washington, July 12, 1994.

MR. DONALD FITES,
Chairman and Chief Executive Officer,
Caterpillar Inc., Peoria, IL.

DEAR MR. FITES: I am writing today not to take sides in the substance of your current labor dispute, but to express my hope that both sides can together work out these differences in a spirit of cooperation which allows you to get back to the business of creating jobs and quality products.

As you know we had our differences back in 1992 over your threat to permanently replace your workers. Indeed, I even walked the picket lines with your workers. This disagreement in no way detracts from my respect for your company as a market leader and job creator, but the subject of striker replacement is an issue which I felt strongly about then and feel strongly about today. I believe that the threat or implementation of replacing striking workers has a poisonous affect on relationships between workers and employers and that it does great damage to the collective bargaining process. I am currently fighting to get Congress to pass S. 55 in the Senate so that we can ban the tactic of hiring permanent replacements as a means to break a strike. Whatever the outcome of this legislative battle, I strongly believe that this practice must stop, because it deters the type of collective bargaining and cooperative work forces that we need to prosper in the new world economy.

I know that the nature of your current dispute does not raise the permanent replacement issue, but I want to challenge companies like yours that have been split by this issue in the past to move forward to new chapters of cooperation and economic revitalization, and I hope that spirit can be shown by both sides as you work through your current dispute.

Sincerely,

BILL CLINTON.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I yield 2 minutes from our side to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 minutes.

Mr. WELLSTONE. Mr. President, I first of all would like to thank the Senator from Utah for his graciousness.

This is the end of the debate, and it is right before this vote on cloture.

Mr. President, I just would like to introduce as part of the RECORD a very powerful statement, an appeal of conscience to the U. S. Senate from the ecumenical—Jewish, Prostestant, Catholic, major religious organizations—from all over the country. I have heard some of my colleagues say they have not heard that much from people in the country about this. And conscience is exactly the right word.

Mr. President, this piece of legislation is about workplace fairness. I have seen too many people who have been forced out on strike and then permanently replaced.

I have seen too many broken dreams and broken lives and broken families, too many unions busted, too many wages depressed, too many families not able to put bread on the table, too many Americans denied economic justice.

This is a piece of legislation that is not just for unions. It is for working people. It is for regular families.

Mr. President, right now, as matters stand, too many large companies have an atomic bomb that they can use. They can force people out on strike and replace them. This bill restores some fairness, some economic justice. And it is, in the words of the religious community, an issue of conscience.

I hope that my colleagues will at least vote to let us go forward with this debate. Do not block the debate. Do not pour cold water on the hopes and dreams of regular people. Let us debate this and let us pass a piece of legislation that would guarantee justice for working people.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. HATCH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I yield such time as she may need to the distinguished ranking member of the Labor and Human Resources Committee.

The ACTING PRESIDENT pro tempore. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I wish to offer a few further remarks in conclusion.

I would like to quote from an editorial in yesterday's Washington Post. It has been mentioned a couple of times during the course of this debate, plus earlier editorials. In the last paragraph, it said:

> The goal of labor law is not to determine the outcome of labor disputes but to maintain a system of mutual deterrence in which neither side can act without risk. An obdurate company risks a strike; obdurate strikers risk replacement. Most of the time the balance works and produces rational results. This bill would destroy the balance and ought not to pass.

That is really what those of us who have opposed S. 55 have argued for some time.

And I would just like to say that the Washington Post is not some hide-bound Republican paper. It had been suggested the other day, when I quoted from the Kansas City Star in its opposition to S. 55, that it was a hide-bound Republican paper. I would like to note that it opposed me editorially in my election in 1978 and it supported Bill Clinton in his Presidential election in 1992.

So I think that there are those who editorialize who do so, Mr. President, with a desire to see that fairness exists in the workplace. That is not to say that labor or management both do not have a responsibility in making it work.

If S. 55 should pass and if cloture should be invoked, it does not mean that we have not had a successful debate. It simply means that we would turn the clock back on 50 years of labor law. Instead, we need to work harder to make it work better in the future, not change it dramatically.

I yield back any time I may have.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HATCH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Utah.

The Senator from Utah has 6 minutes remaining and the Senator from Ohio has 30 seconds remaining.

Mr. HATCH. Mr. President, this has been an excellent debate. Both sides have been sincere. Both sides have tried to make their case as well as they could.

This is a perfectly good illustration of why we need the extended educational dialog rule. Some call it the filibuster rule.

The fact is that there are very, very strong feelings on both sides of this issue. We feel very deeply on this side that, if you do not keep a risk on both sides of an issue like this, then one side is going to gain total preeminence over the other.

Now let us just be honest about it. The unions have a right to strike. I have fought for that right and I will continue to do so. It is a great economic power and it is a great economic right. A lot of business people do not like it, but it is right.

But businesses should have a right and even the power to save their businesses. They should not have to be put out of business just because of a recalcitrant union or a vindictive union leader or for any other reason that does not make sense.

The only way they can offset that tremendous economic power to strike is to have a right that they usually do not want to exercise —and history has proven they do not exercise very often—the right to hire permanent striker replacements.

That is what brings these two very formidable adversaries, business and labor, to the table with neither of them having more strength over the other for the most part—unions do have a slight economic advantage, but not very much—forcing both of them to come to the table and having to sit down and negotiate and collectively bargain.

In all honesty, if business must agree to an uneconomic labor agreement, it means resources that are necessary for the business go somewhere else. It means that they are less able to compete. It hurts the business' ability to ultimately stay in business. If the business holds out during a strike and the union has no incentive to come back to compromise, they risk going out of business sooner. Neither of these scenarios is good for workers in the long term or good for our country.

The American people understand this. In a Time-CNN poll, they found that 60 percent of the American people oppose banning permanent replacements. The Gallup Poll—and certainly Gallup has not been known to be probusiness—also found that 60 percent oppose this ban that this bill would allow.

I can only conclude that, once again, the people have made a logical determination about the legislation. They understand implicitly that in labor-management relations, there has to be risks on both sides. You just cannot let one side have it all.

Now, I appreciate that there are strong views on this. I admire my colleagues on the other side and I want to compliment them for the fight that they have waged. The proponents are certainly sincere in doing what they can.

But we vigorously disagree that this bill is the way to help our country, help our economy, or even help American workers. We think it will hurt American workers. We think it will hurt the union movement. We believe it will hurt business. And we believe it will hurt our country as a whole. That is why we are fighting against it in a bipartisan way.

I do not know how anybody could really argue that we should stack the deck one way or the other. And, I have to tell you, most people of businesses that are unionized do not want to have a confrontation and excessive conflict with their unions.

Mr. President, how much time do I have?

The ACTING PRESIDENT pro tempore. The Senator from Utah has 1 minute and 50 seconds remaining. The Senator from Ohio has 30 seconds remaining.

Mr. HATCH. Let me just take another 20 seconds and I will yield the remainder of my time to Senator from Ohio, who has fought long and hard for this, so that he will have a little more than 30 seconds.

Mr. President, I admire my friend from Ohio. I am going to miss him

when he leaves at the end of this year. There is no one who fights harder and there is no one, I think, who does a better job for the side that he believes in. I respect him. I just wanted to say that on the floor.

The fact that he is wrong most of the time really may be incidental on this point.

But I just want you to know, Senator METZENBAUM, how much we respect your ability to fight these issues.

I yield the remainder of my time to you.

The ACTING PRESIDENT pro tempore. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, first, I want to thank my friend from Utah for his gracious remarks. I indeed appreciate it. He and I have battled over many years, and we remain friends notwithstanding that fact.

It is pretty obvious that today we are not going to prevail. We will have a majority of the Members of the Senate voting for cloture, but we will need 60 and that will not be sufficient.

But let me announce publicly that this is not the end of the issue. We will find an opportunity, hopefully, where those on the other side of the aisle want some particular piece of legislation. The rules of the Senate permit free and open amendment, and so when the opportunity presents itself, we will offer S. 55 as an amendment to some pending piece of legislation if there is a chance to do so.

I remember so well how we passed the bill on cop killer bullets, when we could not get the bill to the floor and finally we had to put it on some agricultural measure in order to get an agreement that we could have an up-or-down vote on it.

We will look for such an opportunity. We have a number of days left before the closing of the session. If that opportunity presents itself, S. 55 will not be a dead issue but it will be alive and well and we will send it over to the House in that manner.

Mr. President, I yield the floor.

Mrs. MURRAY. Mr. President, I am honored today to support the Workplace Fairness Act. I urge all my colleagues to join me by voting for cloture on this landmark legislation.

This bill is important to America. It is one of those rare pieces of legislation that shows that our mass society values the individual. It shows the Government respects the needs of ordinary working people. It shows that Main Street is just as important as Wall Street.

And, Mr. President, this bill is especially important to the most vulnerable and fastest growing segment of our work force—American women.

Over the last decade, women have assumed ever greater economic and family caretaking responsibilities. Everyone in this great country should be unsettled by the fact that women and children are most likely to fall deeper into poverty and homelessness. One of three families headed by a woman lives at or below the poverty line: nearly 70 percent of all working women earned less than $20,000 a year, and 40 percent earned less than $10,000 annually. These workers need the ability to raise their standard of living in order to break the cycle of poverty and welfare dependence which many of them endure.

Passing this legislation is one step in that direction. Perhaps the Women's Legal Defense Fund stated it best:

> America's working women, especially women of color, are disproportionately concentrated in low-waged, high-turnover jobs. These women and their families are especially vulnerable to the growing management practice of permanently replacing workers who exercise their legal right to strike—in other words, firing striking workers. Employers may view women in low-wage jobs as especially easy to replace.

Mr. President, you know as well as I that these workers cannot bargain effectively unless they are assured that they do not risk losing their jobs permanently.

When then-President Ronald Reagan summarily replaced 12,000 striking air traffic controllers, he sent a message to a new generation of industry leaders that it was OK to replace a striking work force.

So, who is next, Mr. President? Nurses, who spend every long night of their shifts mopping the brows of the sick? Machinists, who work a lifetime ensuring America remains competitive? Longshoremen, who toil day in and day out to send the fruits of American labor to every corner of the globe?

It is time to stop treating skilled, loyal workers like outdated, unwanted machinery.

But, Mr. President, you will hear opposing views in this Chamber on this issue.

You will hear that this bill will only increase the likelihood of strikes throughout the country. I could not disagree more. America's workers do not want to strike. They understand the serious implications of a strike. They understand, as I do, the fear being one paycheck away from economic disaster. Most of us have home mortgages, car payments, educational and medical needs for ourselves and our families. America's workers know striking is the option of last resort.

Mr. President, the Workplace Fairness Act is needed to level the playing field. It will allow millions of Americans the right to bargain collectively, to bargain in a fair manner, free from coercion and threats.

The Workplace Fairness Act will begin to restore this right, which seems to have been lost in this rapidly changing world. It will echo a lesson I learned from my parents; it will send a message to America that the little guy is just as important as the big guy.

That is why I urge all my colleagues to join me today in supporting the cloture vote on the workplace fairness bill.

Mr. LEVIN. Mr. President, I support the Workplace Fairness Act, S. 55, which would make it an unfair labor practice under the National Labor Relations Act and the Railway Labor Act to hire permanent replacement workers during an economic strike. This legislation would restore an appropriate balance to the collective bargaining process in which differences between businesses and employees are worked out at the bargaining table. For this reason, I am voting in favor of cloture to end the filibuster blocking consideration of this vital bill in the Senate.

The National Labor Relations Act [NLRA] has been the primary Federal law governing labor relations in the United States for more than five decades. The act emphasizes collective bargaining as the best method for resolving labor-management disputes, and promotes an atmosphere of equal power between labor and management in dispute resolution.

In recent years, however, the delicate balance has been threatened by the regular use of permanent replacement workers. Although management has been free under the NLRA to hire permanent replacements during an economic strike since 1938, this practice was rarely used by employers.

In the early 1980's, the scale began to tilt. The shift began with the firing of 11,500 striking air traffic controllers by Ronald Reagan in 1981. Similarly disputes involving International Paper, Eastern Airlines, and Greyhound Lines among others tragically ended in the use of permanent replacements.

A report filed in 1991 by the General Accounting Office [GAO] found that employers threatened to hire permanent replacements in one-third of the strikes during the 1980's. Permanent replacements actually were hired in about 17 percent of those strikes. The report also found that most of the employers and workers it interviewed believed that replacement workers were hired more often in the 1980's than in the preceding decade. Further, the Bureau of National Affairs has reported that 82 percent of employers surveyed said they would hire replacement workers or consider doing so if their employees went on strike. One-fourth of those surveyed claimed that these replacements would be permanent.

The Workplace Fairness Act will help prevent the negative economic effects of prolonged disputes. A study conducted by Wayne State University in Detroit, MI indicates that in the long run, the profitability of companies that adopt confrontational tactics like the hiring of permanent replacement workers is less than that of companies that adopt a cooperative approach to labor relations.

Some people say that should S. 55 be passed by Congress and signed into law, our Nation would witness a dramatic increase in strike-induced work stoppages. This is simply not true. Economic strikes occur in less than 1 percent of all collective bargaining negotiations. Under S. 55, workers engaging in an economic strike would still face loss of wages, loss of health benefits, and loss of pension benefits. Putting family finances in such jeopardy in order to engage in an economic strike is not a situation that one would take lightly or into which anyone would rush. Losing these vital benefits for any period of time is strong incentive for any worker to stay at the bargaining table.

We need the Workplace Fairness Act to ensure that both sides come to the bargaining table on equal footing. The ability of employers to hire permanent replacements puts striking workers at severe disadvantage at the bargaining table. It increases the likelihood that they will be presented with only two options: accept the offer, or lose your job. These options are corrosive to the cooperative spirit between business and labor that is essential if the collective bargaining process is to endure.

Mr. MURKOWSKI. Mr. President, I rise to speak in opposition to S. 55, and to urge my colleagues to oppose the motion to invoke cloture on this legislation.

This legislation will profoundly alter the structure of collective bargaining in the United States to the detriment of both employers and employees. In the long-term, S. 55 will lead to a more rapid exodus of American companies from production activities in the United States and a reluctance by many companies to contract with union companies.

For more than half a century, the bedrock principle that has governed labor-management negotiations in the United States has been balance. Our Federal labor laws guarantee that an employer's demands at the bargaining table are checked by the knowledge that the employees on the other side of the table have the right to withdraw their labor from the company by engaging in a strike. Employers know that a strike of any duration can cause loss of profit and market share and could ultimately result in the company going out of business.

Employee demands at the bargaining table are similarly checked by the knowledge that a strike may be met by the hiring of both temporary and/or permanent replacement workers. Thus, as our labor law is currently crafted, neither side in a bargaining dispute has sufficient leverage to guarantee the economic result it seeks to negotiate.

What S. 55 would do is to radically shift the balance of power at the bargaining table by insulating striking workers from the risks that traditionally have acted as a check on the voluntary decision to strike over economic issues and would free organized labor to make economic demands that over the long-term could destroy the economic competitiveness of their employer.

Mr. President, it is important to emphasize that this legislation does not change the current law prohibiting employers from permanently replacing workers who strike in response to unfair labor practices. These can include the failure of an employer to bargain in good faith or discrimination against workers who engage in protected union activity. When an employer engages in such unfair practices, workers cannot be permanently replaced. If unfairly let go, they are entitled to their former positions and full back pay, and benefits.

According to a 1991 General Accounting Office [GAO] report, permanent replacements are used in less than one in five strikes and barely 3 percent of striking workers are replaced with permanent replacements. The reason that employers are reluctant to replace striking employees relates directly to the fact that replacement workers do not measure up in productivity with the workers they have replaced.

I believe that if S. 55 becomes law, it will begin to undermine organized labor as we know it today in America. This bill will not ensure worker security; it will make it far more attractive for companies to close unionized facilities and move to other parts of the country or abroad.

To stay in business today, suppliers must meet tight production and delivery timetables to satisfy daily customer demands. Failure of a supplier to meet a delivery schedule for a single component can mean the shut-down of a complete assembly line with resulting layoffs at the factory, the wholesale warehouse, and transporters. Suppliers simply cannot survive a strike of even a few days, let alone a month. The only choice that many of these companies have, is to consider hiring and training permanent replacements in order to stay in business.

If S. 55 becomes law, it is highly likely that companies will choose to do business only with nonunion companies. That will occur not only in the case of lean-production manufacturing companies but also in the construction industry where extended strike activity can shut down an entire project, affecting a multitude of contractors, subcontractors, and local communities. These costs would be exacerbated in areas such as Alaska where the construction season is very short. As a result, contractors will shun employers with union labor for fear that a project will shut down instantly because of a strike.

Mr. President, S. 55 will not provide organized labor the job security protections that its leadership has promised. This legislation should be rejected.

Mr. CHAFEE. Mr. President, I oppose legislation banning the permanent replacement of unionized employees during economic strikes, the so-called striker replacement bill. S. 55 is unnecessary, would reduce U.S. competitiveness, disrupt labor-management relations, and sacrifice more jobs than it would save. The bill is a job-killer—plain and simple.

In my own State of Rhode Island, over the past 18 months, we have had relatively few labor disputes. Of the affected workers, only a small percentage appear to have been permanently replaced. Importantly though, these separated workers have preference under the law to any vacancies which arise with their former employers. As such, if not immediately rehired, at some point in the future, they may be rehired.

For this reason, the concept of a permanent replacement is something of a misnomer. Indeed, a 1991 General Accounting Office study found that only 4 percent of all striking workers permanently lose their jobs. In other words, 96 percent ultimately return to their previous places of employment.

S. 55 would have an extremely adverse effect on the collective bargaining process, overturning more than 50 years of well-settled labor law. Law, I might add, which has produced relative workplace harmony, and an exemplary standard of living—by most measures—for unionized workers since it was first enacted in 1935.

In disputes over wages and benefits—as distinct from those involving unfair labor practices—the National Labor Relations Act, previously the Wagner Act, strives for a balance of shared risk between employees and employers. Employees have the right to strike, but employers have the right to continue business operations, with replacements, if necessary. This concept was upheld by the Supreme Court in 1938 in Mackay Radio, and is a well-recognized principle of modern labor relations policy.

This constructive dynamic of shared risk forces both sides to resolve their differences through good faith negotiation, thereby preserving jobs and productivity. Indeed, we see a growing recognition that the labor-management relationship requires increased cooperation. The new global economy dictates that to compete successfully—for jobs and profit—an enlightened partnership must always be the goal.

This certainly does not mean that all are pure of heart in negotiating disputes. Any one of us may cite examples of labor law abuses on the part of employers and employees. While stronger enforcement makes sense to ensure any such abuses are minimized, in my judgment S. 55 is not the appropriate remedy.

S. 55 would destroy this dynamic of shared risk by guaranteeing the jobs of economic strikers, making it nearly impossible for an employer to secure replacement help in the event of a work stoppage. If striker replacement legislation were to become law, any replacements hired during a strike would be relieved of their duties the moment a settlement was reached. In other words, S. 55 makes the employee's decision to strike nearly risk-free.

We must all recognize, under current law, the task of securing replacement help during a labor dispute is no small undertaking. This is particularly true for smaller firms with less capital, or for those businesses which cannot afford any disruption in operations—such as hospitals or food processors. First, the employer must persuade potential replacements to cross a picket line, an enormous psychological barrier, to say nothing of the potential for violence.

Second, the employer may not coax replacements with the offer of better terms than he or she has extended to the strikers.

Third, replacements must be trained, a potential costly and time-consuming exercise—particularly in occupations demanding highly skilled personnel.

To compound the already difficult burden of sustaining business operations during a labor dispute, the banning of permanent replacements would leave employers with a Hobson's choice—either accede to union demands, or go out of business. Faced with this choice, most employers would prefer to meet union demands than to endure a shutdown, even if it meant making imprudent economic concessions.

Over time, this kind of one-sided bargaining would leave domestic employers vulnerable to the lower cost goods and service of foreign competitors. With their economic vitality sapped, these vulnerable firms would ultimately lose market share and collapse, displacing an entire work force. In a State like Rhode Island, which is just beginning to feel the fruits of economic recovery, S. 55 would be an unmitigated disaster.

With the risk of job loss largely removed from the equation for striking workers, S. 55 would encourage economically motivated labor strife. Moreover, it would reduce the labor-management cooperation needed to compete and succeed in today's global marketplace.

Mr. President, because I believe the net effect of striker replacement legislation would be to place the economic viability and employment prospects of thousands of firms and their employees needlessly at-risk, I must oppose S. 55.

Mr. BRADLEY. Mr. President, global competition, rapid technology change, and a frantic decade of corporate greed have put unbearable stress on the American worker. Worst of all, at a time when the compact of trust between labor and management most needed strengthening, that compact instead became weaker. Nothing better symbolizes that collapse of trust in the workplace than the trend toward using permanent replacement workers to break strikes, and, with them, organized labor unions.

It is about time that we realize that we are all in this together. If it is worker against management, rich against poor, pitted against each other in vicious disputes like those that laid waste to Eastern Airlines and Greyhound, we will never be able to build a society that lifts everyone to the higher ground. For most of our history as an industrialized nation with a strong labor to movement, we have understood this. Although companies had, in theory, the right to hire permanent replacement for strikers, they rarely did so, because they treated their work force as an investment. Workers were not interchangeable parts but partners in the quest for productivity and partners in a community.

But in the last 15 years or so, things changed. A few managements, often new owners with no connection to their community, began to see labor disputes as an opportunity to increase cash flow by breaking the union and replacing the workers most active in negotiating for better working conditions. In almost 1 in 5 strikes, some workers were replaced, and 1 in 3 disputes were settled under the threat of permanent replacement. The ultimate measure of this trend is the average hourly wage in the private sector, which dropped by more than $1 in the 1980's. A worker does not have to be permanently replaced for his or her family to be hurt by the tilting of the balance of power away from organization labor.

While some workers lost jobs and others lost wages, no one has gained from the trend toward hiring permanent replacements. Strikes were no shorter. The companies that hired replacements were not healthier. And our economy did not gain an advantage over the other industrialized countries in the world, all but two of which ban permanent replacements.

The case for this bill was eloquently stated by Bishop Frank Rodimer of Paterson, NJ, speaking for the U.S. Catholic Conference:

> The right to strike without fear of reprisal is a fundamental right in a democratic society. The continued weakening of unions is a serious threat to our social fabric. We have to decide whether we will be a country where workers' rights are dependent on the good will of employers, or whether we will be a country where the dignity of work and the right of workers are protected by the law of the land.

In a competitive world, the United States will not have the luxury of long brutal strikes or of management tactics that displace skilled, committed, experienced, organized workers. We will need a new compact in the American work force, an honest effort to rebuild the trust between management and labor. As a first step toward trust we must take the most brutal and least productive tactic, the hiring or threat of hiring permanent replacement workers, off the table for good.

I understand how controversial this legislation is. I know that employers worry that it will lead to more strikes, but the economic decision to strike or not to strike remains the same for workers—a strike is a grueling, painful, scary, costly effort for workers and their families. It is never anything but a last resort. Our objective is to restore the balance between management and labor, not tilt it in another direction. America's workers have already waited too long for a fair balance to be restored.

Mr. KERREY. Mr. President, I rise in support of the motion to proceed to a consideration of S. 55, the Workplace Fairness Act, also known as the striker replacement bill.

As with too many issues today this one has been subjected to the polarizing rhetoric of opponents and supporters. Some opponents claim the legislation threatens the rights of State to enact legislation prohibiting provisions in contracts that make joining a union a condition of continued employment. Some supporters have likewise claimed that collective bargaining is at risk if this legislation does not pass.

Both of these extremes, bolstered in some cases by independent advertising campaigns, have made it difficult to engage in a calm, rational look at the state of current labor law. Unfortunately, this leads to a confrontation which is not needed at a time when U.S. manufacturing is staging such an impressive comeback against foreign competitors. In part the remarkable recent gains in productivity are a direct consequence of improved working relations between management and labor.

To be clear, Mr. President, neither the problem nor the legislation is an extreme as has been described. It is also fair to say that this legislation does more than its drafters claim and less than its detractors allege.

It does more than its drafters claim because it reaches beyond establishing a statutory right to return to work. It has a provision, which must be changed before I would vote for the bill, which may provide organizing leverage, something which is neither needed nor welcome.

It also does less than the claims of its detractors because it merely restores a right which existed in a de facto way prior to the 1980's. And, because a minority of firms engage in the practice of threatening permanent replacement, this legislation will by no means tilt the balance too far in the direction of labor.

This bill would simply amend the nearly 60-year-old National Labor Relations Act. Known as the Wagner Act, this law is the legal framework which guides labor-management relationships in the United States. The purpose of the Wagner Act is to guarantee that free and equal collective bargaining between labor and management determine conditions of employment. Under this act workers have the right to organize to select their bargaining agent and then to bargain collectively with their employers.

The Wagner Act created a Federal board to oversee this process. The National Labor Relations Board [NLRB], appointed by the President, has a range of statutory duties. The NLRB conducts elections to determine bargaining agents. It investigates charges of unfair labor practices. It issues cease-and-desist orders if employers or employees engage in any of the unfair labor practices listed in the Wagner Act.

The original act has been the subject of constitutional challenges and legislative amendments. The most notable and relevant of these were two Supreme Court decisions in 1938 and 1989, and congressional action taken in 1947.

The 1938 Supreme Court decision, Mackay Radio and Telegraph versus the NLRB, ruled that if a strike is deemed to be for unfair labor practices, the striking workers are entitled to full reinstatement upon their offer to return to work. If, however, the strike is for economic reasons, that is, related to terms and conditions of employment, the employer must only rehire striking workers when or if vacancies become available.

In spite of this decision employers refrained for decades from hiring permanent replacements. This restraint produced a situation in which workers did not need to seek a statutory change, because the companies presumed a right to exist.

However, in the late 1970's and 1980's things began to change. For a variety of reasons the practice of replacing workers during strikes which had an economic cause exploded. Today, employers use or threaten to use permanent replacements in one out of every three strikes. For workers who have lost their jobs during a strike the distinction between "permanently replace," which is allowed, and "discharging employees for engaging in a lawful, strike," which is not allowed, is meaningless.

Still, the arguments for and against this legislation are entirely too strident. To illustrate how the need for this legislation is often over stated, the fact that one-third of employers threaten permanent replacement means that for two out of three strikes no such threat occurs. Likewise, those who claim this is a dangerous, costly and anticompetitive shift in labor law do not point out that none of our principal economic competitors—Japan, Germany, and France—allow permanent replacements.

The 1989 Supreme Court decision, TWA versus Independent Federation of Flight Attendants, added fuel to the fire for a change in the law. This decision extended the Mackay ruling further. The Court held that those employees who cross the picket line to return to work must not be discharged to make room for strikers who have more seniority than those crossover employees and who wish to return to work when the strike is settled.

The relevant congressional action in 1947 is the Taft-Hartley Act. The objective of this act was to give management more power in labor-management relations. At the time, the balance of power had tilted too far in favor of organized labor under the NLRB.

Taft-Hartley listed a number of unfair labor practices by unions, which the NLRB could investigate and prohibit if necessary. The most important was any provision in a labor-management contract that made joining a union a condition of employment. After Taft-Hartley became law, many States—including Nebraska—passed right-to-work laws stating that an employee could not be required to join a union as a condition of employment.

The Workplace Fairness Act does not repeal the prohibitions spelled out in Taft-Hartley. Representations to the contrary are little more than attention getting antics.

Instead, the Workplace Fairness Act continues the balanced effort of all Federal labor legislation since the 1930's. That is, it protects the right of workers to organize and bargain collectively while being protected from threats to eliminate their jobs if they engage in a lawful strike.

Mr. President, this is a time when America needs work places where a spirit of cooperation and collaboration exist. We need policies which will reduce the adversarial climate between workers and management. The Workplace Fairness Act—if amended in the manner I described earlier—does exactly that, and deserves to become law.

CLOTURE MOTION

The PRESIDING OFFICER (Mrs. MURRAY). The hour of 10 o'clock a.m. having arrived, under the previous order the clerk will report the motion to invoke cloture.

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, hereby move to bring to a close the debate on the motion to proceed to Calendar No. 162, S. 55, a bill to amend the National Labor Relations Act to prevent discrimination based on participation in labor disputes.

Edward Kennedy, John Glenn, Barbara Boxer, Carl Levin, Russell D. Feingold, Ben Nighthorse Campbell, Carol Moseley-Braun, Jay Rockefeller, Pat Leahy, Don Riegle, Paul Simon, Daniel K. Akaka, Bob Graham, Howard Metzenbaum, Paul Wellstone, and C. Pell.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent the 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 S. 55, the Workplace Fairness Act, shall be brought to a close? The yeas and nays are required.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Georgia [Mr. COVERDELL] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 53, nays 46, as follows:

[Rollcall Vote No. 189 Leg.]

YEAS—53

Akaka	Feinstein	Mikulski
Baucus	Ford	Mitchell
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Hatfield	Pell
Breaux	Heflin	Reid
Bryan	Inouye	Riegle
Byrd	Johnston	Robb
Campbell	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
D'Amato	Kerry	Sasser
Daschle	Kohl	Shelby
DeConcini	Lautenberg	Simon
Dodd	Leahy	Specter
Dorgan	Levin	Wellstone
Exon	Lieberman	Wofford
Feingold	Metzenbaum	

NAYS—46

Bennett	Gorton	McConnell
Bond	Gramm	Murkowski
Boren	Grassley	Nickles
Brown	Gregg	Nunn
Bumpers	Hatch	Packwood
Burns	Helms	Pressler
Chafee	Hollings	Pryor
Coats	Hutchison	Roth
Cochran	Jeffords	Simpson
Cohen	Kassebaum	Smith
Craig	Kempthorne	Stevens
Danforth	Lott	Thurmond
Dole	Lugar	Wallop
Domenici	Mack	Warner
Durenberger	Mathews	
Faircloth	McCain	

NOT VOTING—1

Coverdell

The PRESIDING OFFICER. On the vote on the motion to invoke cloture to proceed to consider S. 55, the yeas are 53, the nays are 46. The three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. HATCH. Madam President, I move to reconsider the vote.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, if I could just say a few words, and they will be very few, we have had a lot of debate, 3 days, on this issue and I want to express a word of appreciation for the leadership of our distinguished Labor Committee ranking member, Senator KASSEBAUM, and her staff, Ted Verheggen and Steve Sola.

Also, there have been citizens, both workers and business people, all over America who have taken a sincere interest in this bill. We are not talking about big time lobbyists. We are speaking of small business people in restaurants, warehousing, convenience stores, manufacturing, and every other kind of endeavor, and every kind of employee and employer.

Madam President, the opposition to this legislation was a grassroots initiative. It was grassroots propelled.

Our opposition is always tough, and I wish to congratulate them, especially Senators METZENBAUM and KENNEDY, for their hard-fought battle. Their staffs, while fighting hard, were always cordial and professional, and for that I would like to thank Sarah Fox, Beth Slavet, and Greg Watchman, three great staff people here on Capitol Hill.

And again, I wish to pay tribute to my distinguished friend from Ohio. No one fights harder for his beliefs than HOWARD METZENBAUM. I have been on his side and on the opposite side many times over the last 18 years. We came to the Senate together. There are very few people I respect any more than I do him. I do not agree with him very often, but I do respect him and I want him to know that, and I would feel badly if he did not.

Finally, I want to thank Sharon Prost, who, in my opinion, is the best labor lawyer in the Senate. She has been of inestimable help to this side on this matter, always fair, always decent, and a terrific human being. She knows the laws, but she also knows the burdens that American workers carry. I appreciate the efforts that she has given. And, of course, Kris Iverson as well, my assistant legislative director, who always does a good job.

I wish to thank all of our colleagues on both sides of the aisle. I appreciate their contributions in this particular debate.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Madam President, once again, I appreciate the kind comments of the Senator from Utah. Indeed, he and I have battled together in the Chamber on any number of occasions, and so often he is wrong. Too often he wins. But I respect the fact that he does his job and does it well. Indeed, he is very much helped by Sharon Prost of his staff, and there are other staffers who have been extremely helpful in our deliberations: Ted Verheggen of Senator KASSEBAUM's staff, Steve Sola; Sarah Fox and Beth Slavet of Senator KENNEDY's staff; Senator WELLSTONE's staff, Colin McGinnis; and last but certainly not least, Greg Watchman of my own staff who has given so much of his time and effort here on the floor.

Madam President, let me conclude my remarks by saying the majority of the Members of this body want to pass S. 55. They indicated that yesterday. They indicated that today. I hope to find an opportunity before this session concludes to offer S. 55 as an amendment to a pending piece of legislation which those on other side, who have been successful in not bringing this matter to a vote, very much want to bring to the floor and to pass.

We have used the procedure in the past. Senate rules are very unusual rules. Senate rules make it possible to filibuster a measure in this manner so that it could not come to the vote. But the Senate rules also offer free and open opportunity to offer amendments to any piece of legislation, whether or not it is relevant to that legislation, unless there is some specific order precluding that.

I hope to find such an opportunity and, if so, S. 55 may be alive and well before we conclude this session.

At this time, it is an uphill battle, but we will look for that opportunity.

Madam President, I yield the floor.

Mr. HARKIN. Madam President, let me thank the Senator from Ohio for his courageous leadership, not just on this bill but his courageous leadership on issues affecting the working people of this country.

As I have said before, the bill that we cannot seem to get up for a vote, S. 55, is not a prolabor bill. It is a procompetitive bill. It is a pro-American bill. And, yes, it is a pro-working-family bill.

The Senator from Ohio has tirelessly worked for all of his years in the Senate on behalf of working people in this country. There is not a better friend that working people, union and nonunion, have in this entire country than HOWARD METZENBAUM.

I had hoped we could get over this filibuster. As Senator METZENBAUM said, we have the votes to pass it, no doubt about it. We have the votes to pass this bill. The House passed it. The House of Representatives passed it by a considerable margin. And the votes are here to pass it. I had hoped we would pass this as a fitting tribute to his many years of service in the Senate and his service to the working people of this country.

This is a dark day, indeed, Madam President, for the American worker and, I believe, for management. I think that what is happening in this country today is not just bad for our workers; it is bad for our management; it is bad for business in this country, because what is happening is we are eroding the middle class in America.

In the debate on this bill a couple days ago, I quoted from the Business Week magazine. Business Week is not a journal of the labor unions. In the May 23 issue, 1994, there was an article "Why America Needs Unions." Some disturbing facts were brought out in the Business Week magazine—I thought I might just repeat them here today—about what is happening in this country with the middle class.

Business Week pointed out: "But it's clear who prospered in the 1980's. The rent dividends and interest that owners of capital earned jumped 65 percent. Wages and salaries including white collar ones grew only 23 percent." Working people falling behind. And furthermore, what is happening in the labor force? Business Week went on and said: "For instance, employers illegally fired 1 of every 36 union supporters during organizing drives in the late 1980's"—1 out of every 36 were fired—"versus 1 out of 209 in the 1960's."

Unlawful firings occurred in one-third of all representation elections in the late eighties versus only 8 percent in the late sixties. Even more significantly than the numbers is the perception of risk among workers who think they will be fired in an organizing campaign, according to a prominent Harvard law professor.

Again, what is happening, Madam President, is that this so-called right to strike in this country is a hollow right. There is no real right to strike because, if you strike, you are permanently replaced. And, if there is no right to strike, then there is no right to bargain collectively. And, if there is no right to bargain collectively, then there is no level playing field. There is not a partnership between management and labor.

So what this vote signifies is that we are going to continue down that road of more confrontation between labor and management, more erosion of wages, and more erosion of the middle class in this country. That is really what this bill is about. It was a middle-class bill to support the middle class.

I am just sorry that we could not get over the filibuster to get to the merits of the bill itself. I am heartened by what the Senator from Ohio said, that he is not giving up. Well, I have never known HOWARD METZENBAUM to give up. He is a true fighter. I am heartened by what he said—that he will try to find some other bill to attach this to on which we can get a true vote sometime later this year.

So I take the floor not to extend the debate any further. I have had my say

on this bill prior to the vote. I know the Senate wants to get on to other business. But I take the floor to compliment and to thank my good friend, Senator HOWARD METZENBAUM, for his leadership; to thank Senator KENNEDY for his leadership on this issue; and to again say that we have not given up. This is not the end of this. I will do whatever I can to support Senator METZENBAUM in whatever efforts he may come up with later this year to attach this bill.

I also take the floor at this time, Madam President, to urge the President of the United States, this administration, to get more forcefully behind this legislation, to do just a little bit of what it did to get NAFTA passed—I happened to have voted for NAFTA—to just expend a little more energy and a little more effort to get this striker replacement bill through, because it is in the best interests of this country.

Lastly, Madam President, I never told this story on the Senate floor before. I mentioned it in the caucus the other day. But I just want to make it clear why I am not giving up on this issue, and why I will never give up on this issue. And it is very personal. Unless you have been through one of these strikes where workers have been replaced and have seen what it has done to their families, you cannot really understand what is happening in America today. You can read about it. You can read all the statistics and figures, whether it is in Business Week, or whatever. But unless you really have lived through it, you cannot really understand it. It happened in my own family.

My brother, Frank, was a union man. He worked for 23 years for a company in Des Moines, IA; 23 years of the best years of his life. The first 10 years he worked there, he did not miss 1 day of work, and he was not late once. In 23 years, he only missed 5 days of work because of blizzards in Iowa. He could not make it to work. He got all kinds of awards for productivity.

In those 23 years, that plant never had one strike and never had one work stoppage. They would sit down and negotiate the contract. This was the United Auto Workers. They would sign it. They would move on. They had a well-motivated, well-trained work force. The company made money.

Finally, the owner of the company decided to sell the company and retire. He sold the company to a group of investors. They took over this company, and one of the new owners openly bragged that, "If you want to see how to get rid of a union, come to Delavan, and we will show you how."

The contract time came up. Of course, what did management do? They had a legal right. They put forward conditions under which labor could not agree. They held to that position, which is their legal right to do. So the contract was not signed, and the union went out on strike for the first time in over 23 years; the first time ever, as a matter of fact, that this plant had ever been struck since it was organized back in the 1940's. They went out on strike.

The management immediately brought in the replacement workers, and kept them there for a year. It was a long, bitter strike. After 1 year, under labor law, they had a decertification vote. Who votes to decertify the union? The workers who are there, the replacement workers. They voted to decertify the union because they did not want to lose their jobs. The union was decertified.

My brother, after 23 years, was out; 54 years old, and out, after working for this company for 23 years. As I said, in 23 years, he only missed 5 days of work. He gave them the best years of his life. And he was not alone. There were a lot of workers like that in this plant. A lot of people there worked 20 to 25 years. He was one of the more senior at the time. But obviously, the new owners knew that they could get rid of these people and hire younger people, and pay them less; and, thus, as Business Week pointed out, increase their profits and dividends to their shareholders. I understand that. But it was at the expense of all these families.

As I mentioned, this was a manufacturing facility of machine tools. Out in back of the Delavan building is where they had their trash piles, their tailings, and things like that.

I will never forget what my brother said to me. He said, "You know, I feel like I am just a piece of machinery. They used me up. They depreciated me down, and they threw me out the back door on that trash pile."

I did not mention one other thing. My brother is disabled. Where does a 54-year-old deaf man find a job? It is pretty tough. After giving the best years of his life, they just threw him out. As I said, he was not alone. I knew a lot of the other families in the same situation, trying to start over a new life again in their midfifties.

Not only did it destroy them—and I do not think my brother today has gotten over it, and neither have a lot of the other workers and their families. Not only did it destroy them, but it sent shock waves throughout the entire community. It put a damper on any kind of union organizing activity. It sent a strong signal that you cannot stick up for your rights. You cannot bargain collectively because, if you go out on strike, you are done.

So it demoralized the work force, and I believe that this huge increase that we have had in replacement workers in this country is demoralizing our work force. It is cutting down on productivity. It is destroying worker motivation. I saw it firsthand.

When I stand here after this vote and say that I am not giving up, I just want my fellow Senators to understand why I am not giving up on this issue. I will fight for this until the day I die, because I believe it is that important to this country. They do not hire permanent replacement strikers in Canada; they do not do it in Japan; and they do not do it in Europe. Only in this country.

So I think it is time that again we rededicate ourselves to this. I am not giving up. I know the Senator from Ohio is not giving up, and I will be by his side in this battle and do everything I can to support him. We have to find any vehicle we can to attach this to this year. It is too important to sweep under the rug. It is too important for the working families of America.

So, Madam President, I just wanted to take these few minutes after this vote, I guess, maybe to vent my frustration a little bit, but to also let Senators know why this Senator is not giving up the battle for justice for the working people of this country.

I yield the floor.

Mr. CAMPBELL. I ask unanimous consent to speak as in morning business for 5 minutes.

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

The Senator from Colorado is recognized.

Mr. CAMPBELL. I thank the Chair.

(The remarks of Mr. CAMPBELL pertaining to the submission of a resolution are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. EXON. Madam President, I ask unanimous consent that I be able to proceed as in morning business for about 15 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS

Mr. EXON. Madam President, I rise today to discuss the striker replacement issue. It has been laid to rest at least for this year. But we have to look to the future. We have to continue to discuss what is right and what is wrong, what can be accomplished and what cannot be accomplished. I simply say that this is a time for reflection. This is a time for all of us on the floor of the Senate on both sides of the issue to realize and recognize that this issue is not going to go away.

I salute the Senator from Ohio and the Senator from Iowa and others who have taken a leading role in this issue. I hope that the remarks that I am making might have a receptive ear in the Labor Committee, so that they might begin to work toward a compromise proposal that can address what I feel are the legitimate issues that

have been advanced by the majority of the U.S. Senate and a majority in the House of Representatives—that something must be done on this issue other than sitting back and saying no, no, a thousand times no, no changes whatsoever.

I strongly agree with the bill's fundamental premise, and I continue to support the concept. But today I would like, in a few moments, to try to place some of this in perspective in accomplishing something in the future.

It pains me to see and hear much of the same old invective on this issue. The question on the use of permanent replacement workers has been a lightning rod, attracting virulent opposition from those spouting the worst-case scenarios, which seldom come to pass. The issue has, in some instances, been twisted into a type of referendum on the labor movement. The issue is not whether we like organized labor or not; the issue is whether we believe in the fundamental fairness of the long-standing structure of Federal labor law which allocates the rights and responsibilities of labor and management in this country.

I think it is true, if we look back in history, Madam President, to see that, as is frequently the case, the pendulum swings way far to the right and way far to the left. I would hope that with the attitudes of this Senator from Nebraska, and others, we can bring that pendulum swinging in the middle ground rather than far to the right or left.

Throughout my years, I have had experiences on both sides of the labor-management line. That is why I believe that the best thing that the Federal Government can do is to construct a fair system of labor and management and then to step out of the way. That is why I also believe that it is time to do some essential maintenance to that structure and repair one of the pillars that has rotted, I suggest, from neglect. Even though both labor and management have rights and responsibilities under the Federal law, labor's right to strike has been weakened and is no longer structurally sound. Many think that is exactly the way it should be. I suggest that the advancements in this country over the years, our standard of living, the world position that we have as the only remaining superpower, the good life that we all enjoy, is a combination of the efforts of management, business, and the capital that they put into the free enterprise system, along with the skills of the laboring people of the United States of America.

It is true, then, that both labor and management have rights and responsibilities. The Federal law previously has tried to dictate that. Labor's right to strike has been weakened beyond any reasonable interpretation of that right. There are some, however, who care little about whether that pillar of the right to strike is sound, because they would rather see the entire structure collapse. I reject that mindset, and I reject those destructive tactics and motives.

Madam President, the use or threat of use of permanent replacements is a massive rock that looms over the bargaining table, threatening to crush negotiations and to scatter support for labor. Tell me what a worker is supposed to do when an employer presents no feasible offer, pushes a union to the brink, and then places ads for permanent replacement workers, sometimes even before the strike takes place? How will that worker vote on a strike vote when the employer refuses a union's offer? Meager strike pay will soon be depleted, the family is relying on a single health plan, the worker will be immediately replaced, or possibly immediately replaced, if he or she does indeed go out on strike, and employers can dangle bonuses to entice strikers to leave the picket line? Is it any wonder that the business community, not all of it but parts of it, has worked so feverishly to bottle up and destroy this bill and maintain the upper hand that they have now that they are enjoying?

I have heard many arguments against this bill. Nonunion businesses have said, even though the bill does not apply to them, that any strike along the chain of distribution would kill the entire chain. Specialized businesses have said that they could not recruit skilled temporary workers, even though that difficulty often is not reflected in their efforts to retain their skilled union workers. Other businesses speak about the sense of obligation that they feel to their workers, not to the strikers, but to the newly-found replacements. Some companies even seem to be seeking a Federal guarantee that they will never be struck under any circumstances.

Madam President, I do not think there is any question but what cases can be cited, and rightfully so, of the abuse of the strike by some unions. That is not to say that just because of that, though, we should, in effect, eliminate the right to strike which has long been recognized as an important segment and part of the collective bargaining process.

Madam President, the House has passed a bill. The Senate has the votes, obviously, to pass the bill. The Senate just does not have the votes to bring the bill to the floor to a vote.

Had we been successful in ending the filibuster it was this Senator's intention to offer an amendment that I thought might have brought all the warring parties together so that we could have gotten 50 votes to pass some kind of a revised, moderated bill.

Madam President, I have always tried to bring a little pragmatism from the plains of Nebraska into my work in the Senate. Even though both sides have been firmly entrenched on this issue, I have always felt that there is some middle ground and that it was certainly possible to construct a workable solution. I put forward an idea over the last several months that I believe could have broken the impasse and deflated the filibuster.

I do not believe, Madam President, that unions should have a free hand to break a business by striking forever. That makes no sense for business or labor. It is time for reason and a workable compromise.

I have called for a modification to the bill which would have created a short-term ban on permanent replacements, say 60 days, or something in that area. After that time permanent replacements could be phased-in over several months until an employer could have a work force made up entirely of permanent replacements, say, possibly in a year or so.

I believe the phase-in would be less disruptive than an all-or-nothing deadline that has been sought by both management and labor today. I believe also that it retains the fundamental premise of the bill, curtailing the big hatchet of permanent replacement, while retaining all the other means by which an employer can respond to a strike, including even good faith bargaining.

My approach also provides an incentive for both parties to get back to the bargaining table. An employer has an immediate incentive to bargain. Unions, however, know that with each passing day their position is being undermined by more permanent replacements and that the clock continues to run.

In closing, Madam President, just let me say that even though I feel that this gradual phase-in approach may have provided a solution, I regret to say that the idea did not catch on because the two sides were involved in trench warfare, neither really seeking a workable compromise, both wanting to have the vote count, to see who voted how, on an issue for whatever purpose that might later be used.

The current state of labor law in this country is decidedly in favor of management. That was my earlier reference to the pendulum swinging back and forth. I think at one time the laws of the United States of America swung too far to the labor side. Obviously, that is not the case today as a result of the recent votes that we had on this issue yesterday and again this morning.

I do not fault labor nor do I fault management for fighting to keep their advantage. That is understandable. We in the Congress of the United States, though, should look at ourselves as more of a referee to try and work out something constructive rather than just choosing sides between labor and management.

I look forward to the day when the business community will tire of its efforts to break the back of labor and direct its resources into cooperative efforts with labor. Our business community has more important things to do, like staying competitive in a global economy, than being preoccupied with excoriating labor.

Madam President, likewise I say to the labor movement in the United States of America that they likewise have a responsibility, and I do not place all of the blame for this impasse on management. I say that to those in labor and I say that to those in management, with hope that they could come to recognize that the long-term interest of the United States of America, their businesses and their unions, must come to a place where we work together in cooperation, not one continuing to try to outdo and get an upperhand on the other.

Madam President, I thank the Chair and I yield the floor.

The PRESIDING OFFICER. Under the previous order the motion to proceed to S. 55 is withdrawn.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED AGENCIES APPROPRIATIONS ACT, 1995

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 4426, the Foreign Operations appropriations bill, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 4426) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1995.

The Senate resumed the consideration of the bill.

FIRST EXCEPTED COMMITTEE AMENDMENT, PAGE 2

The PRESIDING OFFICER. The question pending before the Senate is the first excepted committee amendment on page 2.

The Senator from Vermont.

Mr. LEAHY. Madam President, would the Chair restate what the full unanimous consent agreement is? Actually, will the Chair restate the part of the unanimous-consent agreement referring to the introduction of amendments on this bill by a time certain.

The PRESIDING OFFICER. Under the previous order, all listed amendments must be offered by 6 p.m., Thursday, July 14, 1994.

Mr. LEAHY. Thank you.

Madam President, obviously everybody has until Thursday evening at that time to offer an amendment. Certainly, this is not a case where we are asking Senators to come in and offer amendments for the sake of offering amendments because I am sure we would like to go forward with this.

Mr. McCONNELL. Mr. President, as the foreign operations bill proceeds, I intend to offer a number of amendments that address U.S. assistance to the New Independent States, the Baltics, and Eastern Europe. Several of these are amendments which are cosponsored by Chairman LEAHY. Before we proceed, I wanted to take a few minutes to clarify why I feel specific congressional direction is necessary in the management of these resources.

For the better part of the past year, Senator LEAHY and I have worked with the administration to define clear goals, projects, and activities for the $2.5 billion NIS Program. It would be fair to say, Mr. President, this process has not been without its problems. But the administration has largely worked in good faith to address the various and many issues that continue to surface.

A year into this effort, I think there are two areas where the programs are simply not meeting requirements, either identified in last year's legislation or as they have emerged over there on the ground.

Last year, we made every effort to establish the importance of respect for territorial integrity and national sovereignty as criteria for receiving American aid. In other words, Mr. President, in last year's bill, there were provisions included that suggested that our assistance to Russia should be contingent upon Russia respecting the territorial integrity of the newly emerging states. That was a central factor in last year's foreign operations bill.

At the time—again looking at last year—Russian troops were offering training, equipment, and logistical support to rebels attempting to overthrow the Shevardnadze government. That is what was going on as we debated this bill last year. The Russians were offering training, equipment, and logistical support to rebels attempting to overthrow the Shevardnadze government in Georgia. In deference to Russian interests, the administration essentially refused all pleas for assistance from the Georgians. Ultimately, in the aftermath of that, Shevardnadze had asked Yeltsin to call off the dogs of war, and a very tentative truce has been the situation since.

Georgia is but one example of my concern about the undue and unchallenged Russian influence in the former Soviet Union and, for that matter, in Europe as well.

In April, a secret decree signed by Yeltsin was publicized revealing Russian plans to establish military bases throughout that whole region—not just within Russia but throughout the whole region.

As you can imagine, this was particularly disturbing to Latvia and Estonia, both engaged at that time in troop withdrawal talks with Russia. I doubt either nation was comforted by Yeltsin's declarations just this week at the wrap-up news conference.

At the G–7 meeting, standing side by side, Presidents Clinton and Yeltsin were asked specifically about troop withdrawals from Estonia. Clinton predicted all troops would be withdrawn by August 31. That was just this week. President Yeltsin, standing right beside him at the press conference, when asked the same question said, and I quote: "This is a good question. The answer is no."

In other words, President Clinton said the troops would be out by August 31, and President Yeltsin, standing right beside him at the same press conference, said they will not be out by August 31.

It is my intention to address the situation in the Baltics and Central Europe with specific amendments. I think the security concerns of Russia's neighbors merit both our attention and appropriate response.

The second area where there are shortcomings in the administration's strategy bear on the future of economic reforms and market principles. Here, again, last year's legislation linked U.S. aid to establishing economic reforms, market principles, respect for commercial contracts, and repayment of commercial debt.

The administration has emphasized mass privatization and points to the fact that more than 15,000 enterprises have been transferred from State to private hands.

Now, at first blush, Mr. President, these are impressive statistics. However, in a series of briefings, several problems have emerged, the chief one being there is essentially no monitoring system in place to evaluate this privatization process. No one really knows who now owns these businesses. No one is willing or able to answer the question: Have we created a system which facilitates criminal organizations' opportunity for ownership? A very important question.

It is also clear that we are only in the first stages of privatization in that the state continues to subsidize operations by offering a range of services from free utilities to providing equipment and parts. So even though these may be by some definition private enterprises, they are still receiving substantial subsidies from the government.

Now, the effort to privatize is obviously essential to further economic growth, and we all hope it will succeed. But the program seems to be operating in a vacuum, without adequate official attention to the legal and commercial framework necessary to sustain the private sector. The serious crime problems Senator LEAHY and I observed in Moscow last summer are now threatening prospects for continued reforms. Crime and corruption may risk an antimarket and an antidemocracy backlash which does not serve either United States or Russian interests.

For this reason, I plan to offer a number of amendments which address

commercial law and law enforcement matters. This assistance and focus is long overdue.

And I might say, Mr. President, just this morning I spoke with the FBI Director, Judge Freeh, about his present trip not only to Russia but to the Ukraine and other countries in the area, including the former Warsaw Pact countries, about the extent of the criminal problem in Russia. We may have a crime problem here, but it pales in comparison, Mr. President, to the crime problem inside Russia.

A number of these organized criminal organizations operate not only within Russia but in other countries, not only in that area but some operating here in the United States. So the Russians have an enormous problem with crime, almost a meltdown situation. This is something that we probably cannot have an enormous impact on, but we need to help. I commend the Director of the FBI for the effort he is making, and I will have a couple of amendments that will help assist him in that process.

Mr. President, this is clearly a transition year for Russia and for the Republics. We have scaled back direct U.S. aid with the hope that the emerging private sector will take off and generate jobs, income, growth, and economic security.

I continue to being committed to seeing this historic transition through to a successful conclusion. My choosing to attempt to earmark and target aid reflects my continued interest in assuring that the program succeeds.

My differences with the administration, although strong, are a matter of emphasis and priority and should not be confused as a lack of support for Russia, Ukraine, Armenia, Georgia, or any of the other nations in that particular area of the world as they seek independence and prosperity.

Let me conclude my opening statement by expressing my appreciation to the Administrator of AID who has recognized the interest of the subcommittee in this region and has agreed to provide supplementary presentation materials for the fiscal 1995 budget cycle. Mr. Atwood has brought about significant changes in the management of foreign assistance which has increased the confidence of this Senator and I think many others in his Agency and in his activities.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

Mr. LEAHY. I object.

The PRESIDING OFFICER. Objection is heard.

The bill clerk continued with the call of the roll.

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

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I know the distinguished senior Senator from South Carolina is seeking recognition. If we could have just one moment, I have a couple of housekeeping things that I mentioned to him I wanted to take care of.

AMENDMENT NO. 2125, AS MODIFIED

Mr. LEAHY. Mr. President I ask unanimous consent that amendment No. 2125, which was previously agreed to, be modified. I send the modification to the desk and ask the modification be agreed to.

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

So the amendment (No. 2125), as modified, is as follows:

On page 112, between lines 9 and 10, insert the following new section:

PROHIBITION ON PAYMENT OF CERTAIN EXPENSES

SEC. . None of the funds appropriated or otherwise made available by this Act under the heading "International Military Education and Training" or "Foreign Military Financing Program" for Informational Program activities may be obligated or expended to pay for—

(1) alcoholic beverages;

(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

(3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

Mr. LEAHY. Mr. President, I ask unanimous consent that the pending committee amendments be set aside so that I may offer the following technical amendments, and that they be agreed to and they be considered en bloc.

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

AMENDMENT NO. 2238

(Purpose: To make technical corrections to the bill)

Mr. LEAHY. Mr. President, I send the amendments to the desk.

The PRESIDING OFFICER. The clerk will report the amendments.

The bill clerk read as follows

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 2238.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 89, line 12 of the Committee reported bill, strike "in" and all that follows through "Act" on line 16 and insert in lieu thereof:

On page 99, line 11 of the committee reported bill, after "country." insert: "The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961."

On page 10, line 1 of the Committee reported bill, after the word "activities" insert: "notwithstanding any other provision of law".

Mr. LEAHY. Mr. President, I believe these amendments have been agreed to on both sides.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. We have taken a look at these amendments Mr. President, and they are fine.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 2238) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, we have both managers of the bill on the floor now. I know the Senator from South Carolina is seeking recognition. I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina [Mr. THURMOND] is recognized.

AMENDMENT NO. 2239 TO THE FIRST EXCEPTED COMMITTEE AMENDMENT ON PAGE 2, LINES 12 THROUGH 21.

(Purpose: To express the sense of the Senate regarding creation of the World Trade Organization and implementation of the Uruguay Round Agreements)

Mr. THURMOND. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Carolina [Mr. THURMOND] for himself and Mr. PRESSLER, Mr. HELMS, and Mr. CRAIG, proposes an amendment numbered 2239 to the first excepted committee amendment on page 2, lines 12 through 21.

Mr. THURMOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

To the first committee amendment, at the end of the amendment insert the following:

SEC. . SENSE OF THE SENATE ON URUGUAY ROUND IMPLEMENTATION.

(a) FINDINGS.—The Senate makes the following findings:

(1) The United States recently signed the Uruguay Round Agreement which included among its provisions the establishment of a new supranational governing body known as the World Trade Organization (hereafter in this section referred to as the "WTO").

(2) The legislation approving fast track authority and giving the executive branch negotiators specific objectives did not authorize the elimination of the current General

Agreement on Tariffs and Trade structure and the creation of a new, more powerful world-governing institution.

(3) The Congress has the constitutional prerogative to regulate foreign commerce and may be ceding such authority to the WTO.

(4) The initial membership of the WTO is 117 nations. The United States will have only one vote and no veto rights in the WTO.

(5) The single vote structure will give the European Union the capacity to out vote the United States 12 to 1. It will also give the island nation of St. Kitts, with a population of 60,000, the same voting power as the United States.

(6) The United States will have less than 1 percent of the total vote, but will be assessed almost 20 percent of the total cost of operating the WTO.

(7) The one vote-no veto structure of the WTO will increase the power of nations, which are not democracies and do not share our Nation's traditional notions of capitalism and freedom.

(8) Any United States law can be challenged by a WTO member as an illegal trade barrier and such challenge will be heard by a closed tribunal of 3 trade lawyers.

(9) The United States must eliminate any law that a WTO tribunal finds to be in conflict with the trade rules of the WTO or the United States will face severe trade sanctions.

(10) The WTO would effectively set the parameters within which United States Federal, State, and local legislators can maintain or establish domestic policy on the broad array of issues covered under the nontariff provisions of the WTO.

(11) State officials have no standing before WTO tribunals even if a State law is challenged as an illegal trade barrier.

(12) The WTO would require the United States Federal Government to preempt, sue, or otherwise coerce States into following the WTO trade rules which the States did not negotiate and to which they are not a legal party.

(13) The Attorneys General from 42 States have signed a letter to the President expressing their concern over States rights under the WTO and have asked for a summit to discuss these issues.

(14) WTO decisions could result in shifts in State and local tax burdens from foreign multi-national corporations to American businesses, farmers, and homeowners.

(15) Under pay-as-you-go budget rules, the revenue losses from tariff reductions must be offset over a 10-year period.

(16) The Congressional Budget Office has estimated that such tariff reductions will cost approximately $40,000,000,000.

(17) When the United States joined other supranational governing bodies, the United States retained rational precautions, such as a permanent seat on the Security Council and veto rights in the United Nations, and a voting share in the International Monetary Fund that is commensurate with its role in the global economy.

(18) The WTO Agreement prohibits unilateral action by the United States including action against predatory and unfair trade actions of other member nations.

(19) The dispute settlement mechanisms to be used by the WTO will be conducted in secret and in a manner that is not consistent with the guarantees of judicial impartiality and due process which characterize the United States judicial tradition.

(20) The WTO Agreement is already resulting in substantial changes and erosion of existing United States law.

(21) Neither the United States Congress nor the American people have had an opportunity to analyze and debate the long-term impact of United States membership in the WTO.

(22) Traditionally the United States has entered into international obligations that impact on domestic sovereignty and law and that have the legal stature and permanence that the WTO has, by using treaty ratification procedures.

(23) The United States Senate rejected, on sovereignty grounds, executive branch attempts to secure ratification of a similar supranational organization known as the International Trade Organization when it was offered repeatedly between 1947 and 1950. The Organization for Trade Cooperation was rejected by the Senate in 1955.

(24) Under the rules of fast track, the United States Senate cannot change or amend provisions creating the WTO and is limited to 20 hours of debate.

(b) POLICY.—It is the policy of the Senate that—

(1) a task force composed of members of Congress and the executive branch be established to study and report to the Congress and the President within 90 days on whether the provisions creating the World Trade Organization should be treated as a treaty or an executive agreement, and

(2) a 90-day period be allowed before the introduction of the Uruguay Round implementation legislation and that during that period additional Congressional hearings be held to consider the full ramifications of the United States joining the WTO, including the impact that joining the WTO will have on State and local laws.

Mr. THURMOND. Mr. President, I rise today, along with the Senator from South Dakota [Mr. PRESSLER], the Senator from North Carolina [Mr. HELMS], the Senator from Idaho [Mr. CRAIG], to introduce a sense-of-the-Senate resolution concerning the Uruguay round of the General Agreement on Tariffs and Trade [GATT]. This resolution outlines several concerns that many members have with the final text of the GATT.

As the clerk has just read, many of these concerns regard the creation of the new world trade governing organization called the World Trade Organization [WTO]. The WTO is intended to be the arbitrator of trade disputes between signatory countries. The WTO has two main components: the ministerial conference and the general council. The ministerial conference will meet every 2 years and will receive decisions on matters covered by trade agreements. The general council will govern the WTO on a daily basis. Also established under the general council are several committees to review and make recommendations on more specific issues such as balance of payments, dispute settlements, and specific sectors of trade.

The dispute settlement body, which is established under the direction of the general council, will be the ultimate arbitrator of trade disputes. The decisions handed down by the WTO will be voted on by the member countries. Each country gets one vote and, except for some cases, a majority vote rules. While the WTO has been described as a United Nations of trade, the United States will not have veto power over its decisions. All decisions are final.

The United States will have four choices of action if the WTO rules against our country. We can either: First, leave the WTO; second, pay tariff penalties to other countries; third, not enforce our domestic laws; or fourth, change our laws to comply with the WTO ruling. Most of the Federal, State, and local laws that would be contested have been enacted to protect our workers and our environment. I fail to say why we need a new supranational organization to control trade.

Mr. President, in the Omnibus Trade and Competitiveness Act of 1988, which outlined the overall objectives of our trade negotiations, there is no mention of creating a world governing body to administer trade disputes.

Mr. President, I would like to read the article titled "U.S. Mustn't Dawdle on the Trade Pact" from the International Herald Tribune as written on April 26, 1994. It reads:

Now that the world's biggest-ever trade agreement has been signed and sealed in Marrakesh, it is time to get it through the U.S. Congress, and the sooner the better.

Already some dangerous ideas about the trade pact are afoot on Capitol Hill. The longer the agreement remains unratified, the more vulnerable it will be to protectionist pressures.

Administration officials insist they will do everything necessary to ratify the pact, the fruit of seven years of arduous negotiations in the Uruguay Round. They say that President Bill Clinton is fully committed to the cause.

But it is not clear the administration has learned the lessons of last year's near fiasco over the North American Free Trade Agreement, saved only by a bout of last-minute political arm-wrestling by Mr. Clinton.

The administration's biggest mistake over NAFTA was complacency—underestimating the opposition and leaving its drive to win approval far too late. As a result, last-minute waverers squeezed a lot of promises out of Mr. Clinton that he would have been better off not making.

This time there is much less organized opposition, but that could change as November's mid-term elections draw closer.

Congress is by no means yet committed to the Uruguay Round and its schedule is already overloaded. The committees responsible for the trade pact also happen to have jurisdiction over the two biggest pending items of domestic legislation—health care and welfare reform.

Some major misconceptions need to be nipped in the bud. One is that it does not matter if the implementing legislation is put off until next year.

Yes, it does. Delay will increase the chances of the pact being blown off course—perhaps by a major new trade dispute with Japan, China or even Canada.

Another mistaken impression is that the agreement can still be changed. Many Republicans think they can tighten up lax rules on subsidies, while some in both parties are demanding greater scope for unilateral U.S. action.

The House Republican whip, Newt Gingrich, even wants to cut out the part of the

agreement establishing the World Trade Organization, which he regards as a sinister organ of world government that will ride roughshod over American interests.

But U.S. agreement to the World Trade Organization was an integral part of the Uruguay Round compromise. There is no way of reopening the negotiations now. Under the fast-track procedure in force for the treaty, Congress must in any case vote 'yes' or 'no' on the whole pact at once.

It is true the WTO means a loss of congressional sovereignty. But that will be no bad thing if it clips the wings of Capitol Hill's powerful protectionists. It will actually be good for the United States to be overruled by the world organization when Washington tries to take politically motivated action against other countries' exports.

Where the debate enters the world of Alice in Wonderland is when it gets to how to pay for it all.

Under U.S. budgetary rules agreed in 1990, Congress must find ways to offset the revenue lost from the Uruguay Round tariff cuts, which could amount to nearly $14 billion over five years or perhaps $40 billion over 10 years.

Mr. President, I want to repeat that. I would like the able Senator from Kentucky to especially hear this.

Under U.S. budgetary rules agreed in 1990, Congress must find ways to offset the revenue lost from the Uruguay Round tariff cuts, which could amount to nearly $14 billion over five years or perhaps $40 billion over 10 years.

With the elections approaching, nobody wants to propose new taxes or spending cuts to bridge the gap. But nor does anyone want to suggest a waiver from the rules and set a precedent that opponents might exploit later on—the Democrats for health care or the Republicans for cuts in the capital gains tax.

The whole thing is absurd. In the next five years the government is likely to collect about $3 in revenue for every $1 lost in tariffs, because of vastly increased trade.

It is ridiculous to impose a budgetary penalty for freer trade, which pays for itself many times over. Congress should be brave enough to admit it has made a mistake and exempt trade agreements from the rules.

The main thing for Congress to remember is that agreements to open up world trade are never perfect, but the United States has always benefited from them.

Mr. Clinton should remember that his decisive support for NAFTA won top marks even from his critics as the high point of his first year in office. It is time for a repeat performance—preferably without the cliff-hanging finale.

Let me also read from the European Commission background brief on the Uruguay round. It states, "The agreement on the WTO also contains a binding clause which requires members to bring their national legislation in line with the agreements that are part of the WTO structure." Mr. President, while creating an international bureaucracy, this agreement is also restricting the ability of Congress to do its constitutional duty. Further, let me quote from a statement by Peter Sutherland, Director General of GATT, Reuters, on June 16, 1994: It reads:

(Peter Sutherland) hit out at countries that saw the right to reject GATT rulings as a sovereign prerogative. "What this amounts to is a country choosing to be above the law whenever it is inconvenient to observe the law," he said, and this opinion would not be open to countries under the WTO.

Using the term "law" to describe the workings of the WTO, implies to me that the ability of the United States to make its own laws and rules will be severely altered.

Mr. President, one argument used by the administration to justify the WTO is to argue that other countries would not impose harsh penalties against the United States since we have such a lucrative marketplace. However, I do not think any of us can really be sure how the developing nations of the world, which account for 83 percent of the WTO membership, will vote when a situation arises.

Mr. President, I am not asking that my colleagues rethink their philosophy on trade. However, we should be examining the agreement to see if all that is promised will be forthcoming. It seems to me that the benefits of this agreement are dubious.

Mr. President, I yield the floor.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I just want to say to the distinguished senior Senator from South Carolina, it is my understanding what he is groping for here is that we attempt to learn a little more about what the WTO is all about and what kind of impact it may have on us internally; is that essentially it?

Mr. THURMOND. That is correct.

Mr. MCCONNELL. I went recently to a session on the WTO, and I think all of us would like to learn a little more about how it is supposed to function in the context of the GATT. As I understand the amendment of the distinguished Senator from South Carolina, it seems to me it would assist us in learning more about the potential for the WTO as it relates to our own domestic governance.

I want to commend the Senator for his amendment. As I understand it, I think it is very good.

Mr. THURMOND. I thank the Senator very much. I deeply appreciate that from the able Senator from Kentucky, the manager of this bill.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont [Mr. LEAHY] is recognized.

Mr. LEAHY. Mr. President, I too share many concerns on the law enforcement aspects and what is happening in Russia and other parts of the former Soviet Union. I met with Director Freeh prior to his trip, a historic trip actually, that he took recently. In fact, I highly commend FBI Director Freeh for what he did and actually for the hope that he brought with him and the response he got.

I told him prior to his leaving that I intended to make sure that this bill would have within it significant amounts of money to be used for law enforcement and that it would be available for him. And Senator MCCONNELL, myself, Senator D'AMATO, and others are going to assure that is in there. We are not going to have a situation where people are going to invest in Russia or other parts of the former Soviet Union if they think they are trying to invest in an area that is something akin to a wild west scenario.

I mentioned when this bill was first in the Chamber the problem of shooting and even hand grenades being tossed around in Moscow. The story I told at that time was somebody pulling up in an expensive imported car, jumping out of it, starting to machine-gun an office on the ground floor, until the secretary opened the filing drawer, took a hand grenade out of the filing drawer, pulled the pin, rolled it under—pulled the pin out of the hand grenade and rolled it right under the car that was out there.

Now, this is kind of exciting, of course, but probably is not conducive to a good work ethic. And we will try to help in that regard.

Let me speak to the amendment that has been offered by the distinguished senior Senator from South Carolina.

There is a certain law of physics—I think it goes beyond anything Newton was aware of—which comes into play during the foreign operations bill. It is a new form of magnetism. It is little studied but well understood. It seems that when this bill comes up, it is like a magnet. It is pulling amendments out of the air that defy all laws of physics—and I might say Jefferson's manual—that have nothing to do with this bill.

Now, this is an appropriations bill. This is not a Finance Committee bill. It is not a trade bill. It is not GATT implementing legislation. And the amendment on GATT does not have anything to do with this bill. It is a Finance Committee issue. In fact, the Finance Committee has not even seen this amendment. They will have implementing legislation for GATT just as my own Committee on Agriculture will look, at some point when we get an opportunity in the fullness of time, at GATT implementing legislation. That is the place to bring up these kinds of matters. I cannot imagine that the distinguished chairman of the Finance Committee would want to see this legislation coming forward on an appropriations bill any more than I in my capacity as chairman of the Senate Agriculture Committee would want to see such authorizing legislation on an appropriations bill.

So I hope that he does not go forward with it. The GATT is really of great interest to all Senators, of course. But it is also a contentious issue.

Now, this amendment would call for another 90 days before the Uruguay round legislation could be introduced. In effect, of course, it kills any GATT for this year. I can assure Senators this is an issue that would not survive conference. There is no way, if this is on the foreign aid bill, the foreign aid bill could come out of conference. It just would not happen. We could, for those who are interested in particular earmarks in the foreign aid bill, say bye-bye earmarks because if this is on the bill we are not going to be able to conference this bill, and I suspect at some point we will have, which may be good policy, an unearmarked, scaled-down, continuing resolution and nothing would be done with GATT. If you want to do something on this, argue it before the authorizing committees implementing legislation on GATT.

I think that what we would like to do is accommodate of course what the Senator wants. He wants to know more about the World Trade Organization. There are going to be hearings on that. If he would like to go to those hearings, I suspect that the appropriate committees would be delighted to have him testify before the committees. Certainly every one of them can study it. We do not need a 19-day delay to do it nor do we need this bill to be destroyed to do it.

If nobody else is prepared to speak on this, I suppose we could go to a vote on it very soon.

THE EURASIA FOUNDATION

Mr. President, I want to say a few words about the Eurasia Foundation, a privately managed, small-grant making organization funded through our program of assistance to the New Independent States of the former Soviet Union. The Foundation supports public sector reform and private sector development through technical assistance, training and education grants to nonprofit organizations in the former Soviet Union, and to U.S. nonprofits with partners there.

The Foundation's success can be attributed to its unique approach. By awarding small grants, usually between $50,000 to $75,000, and relying on the input of local nonprofits and field staff who understand the situation on the ground, the Foundation is able to respond quickly and effectively to changing needs in the NIS. Another benefit of this flexible, grassroots approach is the ability for U.S. assistance to be delivered by a wide range of diverse organizations.

This program does not finance consultants to do prefeasibility studies, followed by feasibility studies, which lead to more studies. These are grants made to local groups with the expertise to provide hands-on assistance and produce tangible results. Eurasia Foundation grants have supported training in management techniques and market economics. They have provided technical assistance to establish surveying and mapping systems to assist land privatization. Another grant supported an ecology information center and press offices.

Mr. President, I have heard that AID is considering scaling back its original plans to fund the Eurasia Foundation at $75 million over 4 years. If true, this concerns me. The Eurasia Foundation is one of the more promising programs we are funding in the NIS. From what I have heard, the Eurasia Foundation could serve as a model for other programs.

I realize, of course, that the foreign aid program faces tight budget pressures. The amount of assistance we are recommending for the NIS in fiscal year 1995 is significantly less than in fiscal year 1994. However, before any decision is made to cut funding for a successful program like the Eurasia Foundation, I would expect AID to consult with the Appropriations Committee.

THE SUMMIT OF THE AMERICAS

Mr. President, this December, an important event will take place in Miami, FL, which should be of interest to all senators. On December 9 and 10, President Clinton will host the first meeting of democratically elected leaders in the Western Hemisphere. It is the first summit of its kind in over a generation, and it is intended to follow up on the signing of the NAFTA Treaty with Mexico which created the world's largest free trade zone.

While Presidential summits are often long on photo ops and self-congratulatory press releases and short on substance, I am hopeful that this summit will produce significant results. By bringing Western Hemisphere heads of state together, many for the first time, there will be an opportunity to begin to build secure relationships which can advance common interests. The discussions will focus on ways to stabilize democracy, promote greater trade and investment, and support sustainable development.

This summit is on enormous importance to all the countries in he hemisphere. It is no secret that relations between the United States and our southern neighbors have not always been easy. For much of this century we treated the Central American countries as virtual colonies. Banana republics, we called them. In recent years we were involved militarily in bloody conflicts in Nicaragua and El Salvador that deeply divided the Congress and the American people. The concern we all have about the possible use of U.S. troops in Haiti is but one reflection of this uneasy history.

Yet even during this period, there was progress toward democracy and free enterprise in Latin America, and with the recent peace agreement in El Salvador and the possibility of a settlement of the conflict in Guatemala, we seem to be entering a new ear. For perhaps the first time in history, we can look forward to a period of peace, of strengthening democracy, and of building stronger economic ties that benefit both North and South America.

In the long run the United States and the region cold benefit enormously from achieving the goals of this summit. Democracies tend not to attack one another. Political stability is the key to economic growth. United States exports to the region have more than doubled in the past 7 years, and they will continue to rise. This in turn has created thousands of jobs for Americans. As NAFTA is extended, I believe it will be, the prospects for stronger economic ties will greatly increase.

From the very beginning, this has been a cooperative effort. Vice President GORE traveled to Bolivia, Argentina, Brazil, and Mexico at the end of March to lay the groundwork for the conference. President Clinton has been in touch with his counterparts to develop a productive schedule for the summit. The Organization of American States and the InterAmerican Development Bank have been included in these preparations, and there have been consultations with the business community and nongovernmental organizations from Latin America and the United States to get their input. NGO's have traditionally been either ignored or harassed by Latin governments who have often regarded the NGO's with suspicion, as a threat to government authority and control. This summit is an opportunity to demonstrate the important role NGO's can play in building democracy, and in addressing many of the most acute problems these countries face.

Mr. President, this historic event, the largest gathering of democratically-elected leaders that the United States has ever hosted, deserves our attention and support. Having said that, I will end with a warning. Promoting democracy is a central theme of this summit, which is why Cuba and Haiti have not been invited to send representatives. However, the Dominican Republic recently held an election was marred by irregularities. International observers have yet to certify that it was a fair election. There is reason to believe that the party of the winning candidate, President Balaguer, engaged in widespread fraud which could have affected the result. I do not know whether, in the final analysis, the election will be ruled fair or not. But we do not want to implicitly ratify a stolen election, it that is what this was. The Dominican Republic should be invited to participate in the summit only if there has been a credible finding that the election was fair.

Mr. LEAHY. 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. CRAIG. 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. CRAIG. Mr. President, I rise today to add my support to an amendment offered by Senator THURMOND and to voice my growing concern about the Uruguay round agreement and the General Agreement on Tariffs and Trade and the General Agreement on Trade in Services.

The amendment raises a number of concerns about a provision in the Uruguay round which would establish an international entity which is referred to as the World Trade Organization. This amendment, which is a nonbinding resolution, states that it is the sense of the Senate that a joint Senate administration commission should be convened to perform a 90-day blue ribbon panel report on whether or not the World Trade Organization should be considered as a treaty rather than an Executive agreement. It also requests further hearings, both in Washington, DC, and in the field so that the ramifications of the World Trade Organization can be fully examined and understood.

Mr. President, let me be very clear. This amendment does not make the GATT agreement a dead-on-arrival agreement. It simply reflects, I think, the importance of the agreement and the need to fully understand the development of a new international organization prior to our country's acceptance of this agreement.

The World Trade Organization is not a minor change to the structure of the GATT. It creates an entity that is, to me, more than an international organization. Rather, it is a regime with powers that are structurally stronger than those of the United Nations.

Mr. President, when forming the United Nations, very special care was taken to ensure that the United States would have both veto power and a permanent seat on the Security Council. However, it is apparent that no such effort has been made with regard to the World Trade Organization. In the WTO, the United States could be outvoted by a small coalition of a handful of any given number of nations, regardless of their overall size, population, geographic size, their contribution to world trade itself, their funding contribution to the organization, or their commitment to fair trade and democracy.

The World Trade Organization would initially consist of a diverse coalition of 117 nations. Each member nation of the WTO, including the United States, would have one vote in resolving trade disputes under the auspices of the two agreements, the GATT and the GATS.

The World Trade Organization would vote on amendments and interpretations of GATT provisions. Again, Mr. President, the United States would be only 1 of 117 votes. Therefore, we could easily be outvoted by Third World countries of the World Trade Organization, as often happens in the United Nations. We have the history of the United Nations to demonstrate that that can clearly occur.

Another point of frustration is that we will be paying 20 percent of the World Trade Organization budget with a voice behind it of only one vote. Under the GATT, as it currently exists, the United States has veto power and can block a panel decision by denying the necessary consensus to adopt the panel's decision. Consensus is also replaced in the World Trade Organization with the following agreements: A two-thirds vote to amend the World Trade Organization, a three-fourths vote to impose an amendment on parties and to adopt the interpretation of World Trade Organization provisions.

There have been previous attempts to establish a supranational body to cover trade relations and dispute settlements. In other words, Mr. President, this is not the first time these concerns and ideas have been expressed on the floor of the U.S. Senate.

There have been previous attempts to establish, as I mentioned, these supranational organizations. The fear of granting broad authority over our trade rules to a mostly foreign entity led to the repeated rejection by the Senate of the International Trade Organization between 1947 and 1950, and a similar body known as the Organization for Trade Cooperation in 1955.

Under the interstate and foreign commerce clauses of the Constitution, States cannot discriminate against foreign businesses, including the application of State tax law. Therefore, under the GATT currently, the failure of a State to comply with these provisions would result in a U.S. court action where the parties involved would be able to receive fair and open redress of their complaints. The dispute settlement mechanism included in the Uruguay round agreement, on the other hand, would require such matters involving State tax policy and foreign businesses to be brought before the World Trade Organization itself.

It is my understanding, Mr. President, that the World Trade Organization dispute settlement panel can meet in secret and need not consider U.S. constitutional standards nor follow the constraints of U.S. jurisprudence. This is a serious concern, and it must be clarified before this agreement is brought to the Senate floor for ratification.

It is also my understanding that no individual U.S. State government is guaranteed representation on the World Trade Organization's dispute panel, and the United States cannot reject a World Trade Organization dispute panel mandate without facing foreign retaliation and trade penalties enforced by the World Trade Organization. This may be a worse case scenario, but if it is a scenario that could occur under the World Trade Organization, then that provision in the Uruguay round agreement must be changed.

In short, Mr. President, States rights must be protected at all costs.

We said it in 1947 in a similar debate. We said it again in 1955, and I would hope that the U.S. Senate would confirm the Thurmond amendment which would examine and clarify those most important issues.

Our Nation's Founders, in framing the Constitution, and in the development of our Federal system, never intended that a State relinquish the development and enforcement of its tax policy to a foreign entity like the World Trade Organization.

It is my understanding that many States have expressed serious concerns over these provisions of GATT and GATS.

A letter, signed by 42 attorneys general, including Idaho's Attorney General Larry Echohawk, expresses the concerns of our States. It also requests a summit with Federal officials to review States rights issues.

Mr. President, the attorneys general of the States of our Nation are now requesting of our Government that a similar summit be held, and this similar summit has been included in the Thurmond amendment we are now offering today.

Let me share with you, Mr. President, what this letter says, and I ask unanimous consent that the full text of the letter from the States Attorneys General be printed in the RECORD.

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

STATE OF MAINE, DEPARTMENT OF THE ATTORNEY GENERAL,
Augusta, ME, July 6, 1994.

Hon. WILLIAM J. CLINTON,
President of the United States,
Washington, DC.

DEAR PRESIDENT CLINTON: As defenders of State laws, State Attorneys General have a particularly keen interest in State sovereignty. The Uruguay Round of the General Agreement on Tariffs and Trade (GATT), which is to be submitted to Congress under fast-track authority soon, appears to have broad implications for State self-government. Given the paramount importance that the U.S. Constitution assigns to State's rights, we would like to request a State-Federal Consultation Summit on this issue, to be held in July or August, before the Administration submits implementing legislation. Although we have agreed to take the lead on this issue, because it affects all State officials, an invitation would be extended to State executive and legislative branches as well.

We are requesting a Summit to give State officials the benefit of a thorough airing of concerns about how the Uruguay Round and the proposed World Trade Organization

(WTO) would affect State laws and regulations. Many State officials still have questions about how some of our State laws and regulations would fare under the WTO and its dispute resolution panels. This is of particular concern given that some of our trading partners have apparently identified specific State laws which they intend to challenge under the WTO.

As you know, the U.S. Trade Representative's Office (USTR) is charged with an interesting set of responsibilities. On one hand, its primary responsibility is to promote U.S. exports and international trade. Yet, on the other hand, the Trade Representative's Office is charged with the responsibility of protecting State sovereignty and defending any State law challenged in the various international dispute tribunals. Given the inevitable conflict in fulfilling both sets of these responsibilities, we would like to take advantage of the proposed Summit to clarify a range of serious concerns, including:

Whether the implementing legislation adequately guarantees States that the federal government will genuinely consider accepting trade sanctions rather than pressuring States to change State laws which are successfully challenged in the WTO.

Whether States have a guaranteed right and a formalized process in which they can participate in defending their own State laws.

Whether the USTR is required to engage in regular consultation with the States, and involve any State whose measures may be challenged in the defense of that measure at the earliest possible opportunity.

Whether parties challenging a State measure under GATT will be able to prevail based on the fact that one State is simply more or less restrictive than another State's.

Whether GATT grants any private party a right of action to challenge a State law in federal court.

Whether an adverse WTO panel decision can be interpreted as the foreign policy of the United States without the subsequent ratification of the Congress and the President.

Whether GATT panel reports and any information submitted by the States to the USTR during the reservation process are admissible as evidence in any federal court proceeding.

Whether a panel decision purporting to overturn State law shall be implemented only prospectively.

Whether the federal government may sue a State and challenge a State measure under GATT without an adverse WTO panel decision.

How will adverse WTO panel decisions impact State laws covering pesticide residues, food quality, environmental policy including recycling, or consumer health safety, where State standards are more stringent than federal or international standards.

Whether so-called "unitary taxation," which assesses the State taxes corporations pay on the basis of a corporation's worldwide operations, be illegal under GATT.

Whether States may maintain public procurement laws that favor in-State business in bidding for public contracts.

How well protected is a State law if it is included within the coverage of U.S. reservations to new GATT agreements.

Whether the United States can import some due process guarantees into the WTO dispute resolution system, now that the negotiations are over, the WTO panel proceedings remain closed and documents confidential.

In responding to our request for this GATT Summit, please have staff contact Christine T. Milliken, Executive Director and General Counsel of the National Association of Attorneys General, at (202) 434-8053. Although the Association has taken no formal position on this issue, the Association provides liaison service upon request when fifteen or more Attorneys General express an interest in a key subject.

Further, the Association through action at its recent Summer Meeting has instructed staff to develop in concert with the Office of U.S. Trade Representative an ongoing mechanism for consultation. The Association participates in several federal-state work groups, principally with the U.S. Department of Justice and also with the U.S. Environmental Protection Agency that might serve as a starting point for developing a model for an effective ongoing dialogue with the USTR on emerging issues in this key area.

Respectfully yours,

MICHAEL E. CARPENTER,
Attorney General of Maine.

The following attorneys general signed the letter:

Alabama: Jimmy Evans.
Alaska: Bruce M. Botelho.
Arizona: Grant Woods.
Colorado: Gale A. Norton.
Connecticut: Richard Blumenthal.
Delaware: Charles M. Oberly, III.
Florida: Robert A. Butterworth.
Hawaii: Robert A. Marks.
Idaho: Larry EchoHawk.
Illinois: Roland W. Burris.
Indiana: Pamela Fanning Carter.
Iowa: Bonnie J. Campbell.
Kansas: Robert T. Stephan.
Kentucky: Chris Gorman.
Maine: Michael Carpenter.
Maryland: J. Joseph Curran, Jr.
Massachusetts: Scott Harshbarger.
Michigan: Frank J. Kelley.
Minnesota: Hubert H. Humphrey, III.
Mississippi: Mike Moore.
Missouri: Jeremiah W. Nixon.
Montana: Jospeh F. Mazurek.
Nevada: Frankie Sue Del Papa.
New Hampshire: Jeffrey R. Howard.
New Jersey: Deborah T. Poritz.
New Mexico: Tom Udall.
New York: G. Oliver Koppell.
North Carolina: Micheal F. Easley.
North Dakota: Heidi Heitkamp.
Northern Mariana Islands: Richard Weil.
Ohio: Lee Fisher.
Oregon: Theodore R. Kulongoski.
Pennsylvania: Ernest D. Preate, Jr.
Puerto Rico: Pedro R. Pierluisi.
Rhode Island: Jeffrey B. Pine.
South Carolina: T. Travis Medlock.
Tennessee: Charles W. Burson.
Texas: Dan Morales.
Utah: Jan Graham.
Vermont: Jeffrey L. Amestoy.
Virginia: James S. Gilmore, III.
Washington: Christine O. Gregoire.
West Virginia: Darrell V. McGraw, Jr.
Wyoming: Joseph B. Meyer.

Mr. CRAIG. I will read only the first paragraph. It says:

As defenders of State laws, State Attorneys General have a particularly keen interest in State sovereignty. The Uruguay Round of the General Agreement on Tariffs and Trade (GATT), which is expected to be submitted to Congress under fast-track authority soon, appears to have broad implications for State self-government. Given the paramount importance that the U.S. constitution assigns to State's rights, we would like to request a State-Federal Consultation Summit on this issue, to be held in July or August, before the Administration submits implementing legislation. Although we have agreed to take the lead on this issue, because it affects all State officials, an invitation would be extended to State executive and legislative branches as well.

And the letter goes on to express the concern over 42 of these attorneys general now.

In addition, Mr. President, I have been working with the Idaho State Tax Commission on the State sovereignty concerns and would like to read the following letter I received from the Idaho State Tax Commission which articulates specific concerns of my home State, and for sake of time, Mr. President, let me ask unanimous consent that the full text of that letter be printed in the RECORD.

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

IDAHO STATE TAX COMMISSION,
Boise, ID, May 26, 1994.

Re Pending GATT/GATS Agreements.

Hon. LARRY E. CRAIG,
U.S. Senate,
Washington, DC.

DEAR SENATOR CRAIG: We are writing to explain our concern about the power over state and local taxes that the new General Agreement on Tariffs and Trade (GATT) will give the World Trade Organization (WTO). Unless modified significantly, these provisions of the new GATT will undermine state and local fiscal sovereignty and likely favor foreign business over U.S. taxpayers.

As the administrators of tax laws enacted by the state legislature, we strongly support equal treatment of all taxpayers foreign and domestic. We have no objections to those provisions of the GATT designed to encourage trade. However, the WTO provisions applicable to state and local taxes exceed legitimate trade concerns. They are likely to have unintended, but dangerous, consequences for the sovereignty and citizens of Idaho.

The central problem is in the dispute settlement mechanism of the GATT and WTO. WTO dispute settlement panels are not bound by U.S. constitutional standards and jurisprudence in evaluating challenges to state tax laws, even though the Interstate and Foreign Commerce clauses of the Constitution effectively prohibit discrimination against foreign entities. The fear and experience of state tax administrators is that such panels may well overturn state and local tax laws, because of some perceived bias against international trade, which are not in fact discriminatory and which are perfectly legitimate under the U.S. Constitution.

This is precisely what happened in the one international trade case involving state taxation. In a case commonly called "Beer II," a trade panel ruled that a Minnesota law granting preferential tax status to small breweries regardless of where they were located violated the GATT. It held that the small brewer preference must be removed or that equally preferential rates must be accorded large Canadian brewers. There was no evidence of discrimination based on national origin, and there was no evidence of any trade barrier. USTR did not veto or reject this decision. Instead, it has encouraged states to comply with it.

Moreover, unless some action is taken to the contrary, WTO panel rulings can be enforced against a state or local government in the U.S. court system, event though the offending law or policy is otherwise consistent with U.S. constitutional standards. While this is not possible with federal measures, we believe it would be true for state and local laws. With the Congressional adoption of the GATT, dispute panel findings, unless specifically rejected by the U.S. government, can be argued to represent the foreign policy of the U.S. Thus, state and local laws to the contrary would be found to violate the Foreign Commerce Clause of the U.S. Constitution.

In short, the GATT process provides foreign interests with willing government partners another avenue to challenge state and local tax policies with which they disagree. These challenges will occur in a forum not bound by the U.S. constitutional standards against which state and local laws are shaped and in a forum where states and localities cannot represent themselves. The net result is to place U.S. taxpayers at an unfair disadvantage, compromise state tax sovereignty, and substitute the WTO for the U.S. Supreme Court as the final arbiter of state and local tax policies.

The Multistate Tax Commission (MTC) and the Federation of Tax Administrators (FTA) have proposed two ways to address these concerns without rejecting the GATT. First, the U.S. government could assert a broad reservation from the national treatment requirements of the GATT for state and local tax laws that meet U.S. constitutional standards. Several suggestions along these lines have been rejected as overly broad or unworkable by the U.S. Trade Representative staff.

The other approach is to include provisions supporting fiscal federalism in the GATT implementing legislation. The following is a summary of the MTC/FTA proposals for the implementing legislation:

Rejecting all WTO panel decisions not based on U.S. constitutional standards regarding nondiscrimination against foreign parties or not adopted by action of the U.S. Congress within 120 days of the panel decision;

Requiring that a state or local law or policy may be declared invalid as being in violation of the GATT only through an action brought by the U.S. government for that purpose;

Prohibiting (a) retroactive application of WTO panel decisions; (b) use of panel findings and decisions as competent evidence in the U.S. courts; and (c) any private right of action emanating from a WTO panel decision;

Requiring that affected state and local governments assist in representing their interests before the WTO; and

Requiring the USTR provide notice to state and local governments at least 180 days before USTR initiates or responds to a complaint about state or local tax policies and practices.

For detailed information on these proposals, your office may contact Nancy Donohoe, MTC Consultant at (202) 296–8060 or Roxanne Davis, FTA Research Attorney at (202) 824–5890.

The U.S. Constitution has for 200 years balanced the interests of federalism and free trade. That balance can be accomplished in the GATT only with the types of reservations and implementing legislation outlined above. Your help in preserving this balance is sorely needed. Thank you for your support and commitment to federalism.

Sincerely,

COLEEN GRANT,
Chairman.
R. MICHAEL SOUTHCOMBE,
Commissioner.
G. ANNE BARKER,
Commissioner.
DUWAYNE D. HAMMOND, Jr.,
Commissioner.

Mr. CRAIG. Let me read the first paragraph. It says:

DEAR SENATOR CRAIG: We are writing to explain our concern about the power over state and local taxes that the new General Agreement on Tariffs and Trade (GATT) will give the World Trade Organization (WTO). Unless modified significantly, these provisions of the new GATT will undermine state and local fiscal sovereignty and likely favor foreign business over U.S. taxpayers.

Let me repeat:

* * * will undermine State and local fiscal sovereignty and likely favor foreign businesses over U.S. taxpayers.

If that is true, Mr. President, this can simply not be allowed. I say if it is true. That is why the amendment as proposed by Senator THURMOND and that is why the State attorneys general have asked that this Government stop, bring its people together, examine these critical issues before we move toward fast track and implementation.

Mr. President, there are also problems with the language of the Uruguay round agreement, which has the potential of infringing on State sovereignty.

The phrasing of provisions to prevent State discrimination against foreign businesses is dangerously vague and would favor foreign entities over American taxpayers in the resolution of disputes.

I cannot imagine that this Senate, blinded as we often times are and urged to promote world trade, would not have the willingness to stop and look and listen to authorities who can flesh out and explain for us these important provisions.

Both GATT and GATS are worded in a far less precise manner than existing State tax laws.

A vague agreement opens the door for unfair and conflicting interpretation.

For example, under GATT, prohibiting unjustified discrimination against foreign businesses in the United States does not clearly define a specific standard.

A State law which fulfills the requirements of the U.S. Constitution, may not meet the broader standard under GATT and GATS.

The national treatment provision under GATS requires the United States to ensure that foreign services and service providers receive "treatment no less favorable than that it accords to its own like services and service suppliers."

Under the provision, only foreign businesses receiving a negative economic impact resulting from a State law could seek corrective action by the WTO while domestic businesses which are economically harmed by a State guideline would have no similar avenue of redress. This grants foreign businesses a significant advantage which their domestic counterparts would not enjoy.

The national treatment provision on the surface looks and sounds like the foreign commerce clause of the U.S. Constitution, but it is significantly different.

Mr. President, I would like to share some information that was included in a memorandum to State tax administrators from two organizations, the Federation of Tax Administrators and the Multistate Tax Commission:

It reads:

The standards for proving a violation of national treatment are lower than for proving a violation of the foreign commerce clause.

Because only foreign taxpayers can benefit directly from the "national treatment" provision, they will have access to a more favorable set of rules than U.S. taxpayers.

State tax provisions that might well meet the requirements of the U.S. Constitution may be found to violate GATS.

The memorandum goes on to cover dispute settlement panels:

The rulings of trade panels—"dispute settlement bodies"—may become legally binding on the States and local governments even though they are not legally binding on the Federal Government.

The Federal Government can decide to comply or not comply with an adverse trade panel ruling.

However, the dormant foreign commerce and national supremacy clauses of the Constitution are binding on States and localities.

Thus, foreign taxpayers may use the trade panel ruling as evidence in suits against States or localities and could seek enforcement trade panel rulings in our courts on the basis that they reflect the foreign commercial policies of the United States.

The memorandum also states that:

Because of these interactions between trade agreements and the U.S. constitutional law, we think that State and local tax authority will be undermined, tax burdens may increasingly shift from foreign taxpayers to U.S. taxpayers, and decisionmaking authority over State and local taxes will increasingly shift from the U.S. Supreme Court to "dispute settlement bodies."

For these reasons, we have sought protection for all State and local tax practices that conform to Federal law or that are determined by the domestic courts of the United States to be nondiscriminatory under the Constitution.

These arguments and concerns cannot be summarily dismissed, Mr. President. The problems are real and need to be resolved. I hope that today's discussion on the World Trade Organization will lead to a more thorough discussion as is outlined in the amendment offered by Senator THURMOND.

Mr. President, there is another document that I would like to have become part of the RECORD.

I highly recommend it to my colleagues who support States rights.

This testimony was delivered by Dan Bucks, the Executive Director of the Multistate Tax Commission, at the House Subcommittee on Trade hearing last February. The title, interestingly, is "Free Trade, Federalism and Tax Fairness."

I ask unanimous consent that his testimony before that subcommittee of the House be printed in the RECORD.

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

FREE TRADE, FEDERALISM AND TAX FAIRNESS

(Testimony by Dan R. Bucks)

The Multistate Tax Commission is an interstate compact agency that works to ensure that multistate and multinational businesses pay a fair share—but not more than a fair share—of taxes to the states and localities in which they operate. We encourage states to adopt uniform tax laws and regulations in the interest of tax fairness as well as administrative ease and efficiency for businesses that operate in several states and nations.

This testimony substantially draws on a larger report prepared by the staffs of both the Multistate Tax Commission and the Federation of Tax Administrators, the latter being the professional association of state tax officials. The Commission appreciates and acknowledges the efforts of the Federation in helping to analyze the impact of international trade agreements on state taxation.

The Commission views the General Agreement on Tariffs and Trade (GATT) and the General Agreement on Trade in Services (GATS) from this perspective of fundamental fairness and efficiency. States are committed to treating foreign taxpayers as well as they treat U.S. taxpayers who do business in their borders, and the Commission fully supports this principle of equal taxation. Equality of tax treatment provides a level playing field for the expansion of international trade.

The U.S. Constitution established a foundation for our nation based on the principles of free trade and federalism. It has created the most successful free trade area known in modern times and establishes the ideal pursued by other nations in international trade agreements. The Constitution also establishes a successful system of federalism. In a world where other nations are beset with social tension, and even civil war, over issues of balancing the aspirations of local communities with central governments, the U.S. system is a model for balancing local and national interests.

Over the past two centuries, our nation has enhanced and developed an effective balance between free trade and federalism—a balance that flourishes today. However, GATT and GATS, which do not recognize principles of federalism and the sovereignty of state governments, threaten to destroy that balance. Thus, the Commission proposes measures that would restore, in the context of GATT and GATS, a proper balance between free trade and federalism and ensure tax fairness.

The Constitution, as noted, guarantees that states and localities will treat foreign taxpayers equally as compared to domestic taxpayers. Unfortunately, without significant adjustment through the exemption and reservation process and implementing legislation, GATT and GATS will violate the principle of equality under the Constitution by granting rights and privileges in state and local taxation to foreign taxpayers that are not available to domestic taxpayers. Without adjustments, GATT and GATS will over the long-term:

Reduce state and local taxes paid by foreign taxpayers and unfairly shift that tax burden to U.S. businesses and ordinary citizens,

Transfer authority to determine state and local tax policy from the states, subject to the review of Congress and the U.S. Supreme Court, to international trade panels with little or no expertise in state and local tax policy or constitutional law relating to federalism, and

Erode the ability of states to perform their role as "laboratories of democracy" in our system of federalism—fashioning local solutions to local problems.

These problems will arise from the interaction of GATT and GATS with state and federal laws. The key features of this interaction are as follows:

First, GATT and GATS establish special rules and appeal procedures that are available only to foreign taxpayers and that are more favorable than the rules and procedures available to U.S. taxpayers under state and federal law and the Constitution. If a special class of taxpayers has access to rules and procedures that are more favorable to them than other taxpayers, those taxpayers will ultimately receive tax benefits at the expense of those less favored.

Second, unless Congress enacts appropriate provisions of implementing legislation, rulings to international trade panels may be legally binding on state and local governments, even though they are not legally binding on the federal government. States are subject to the foreign commerce and national supremacy clauses of the Constitution. Unless an international trade panel ruling is specifically rejected by the federal government, foreign parties may seek enforcement of that ruling.

Third, states base many of their tax policies on either the federal tax laws or on mandates imposed by the federal government. The federal law may not conform to the trade agreements, and states may find their taxes vulnerable under the agreements simply because they are following federal law.

HOW GATT AND GATS FAVOR FOREIGN TAXPAYERS

The special rights and privileges that taxpayers will enjoy under GATT and GATS arise from the broad and ambiguous terms used in the agreements and the "dispute settlement mechanisms" established by the agreements. Specifically, the following features of the agreements create problems for state and local taxation:

The agreements use broad language that is much less precise than tax law and create the potential for unpredictable, unintended and unfortunate decisions. For example, "unjustified discrimination" is an ill-defined, ambiguous standard in the agreements, and the limited history of GATT authorities applying that standard to state taxation is disturbing.

Foreign companies seeking to reduce their state or local tax bills would no longer be required to bring an action in the domestic courts of the U.S., but they could instead recruit their government to lodge a GATT complaint against the state or locality. "Dispute Settlement Bodies" comprised of private sector persons from other nations who are trade experts, but most likely have little or no tax or federalism experience, would rule on complaints by foreign nations against a state or local tax practice. The Dispute Settlement Bodies would not be bound by U.S. court precedents or any other body of law.

States have no guaranteed standing before Dispute Settlement Bodies. Absent Congressional action, states cannot be assured that their views will be presented or protected by the U.S. government at any time in the future. The federal government may defend the states' legitimate interests—or it may decline to, at its sole discretion.

Because GATT and GATS, unlike the U.S. Constitution, do not recognize federalism, and more specifically the rights of state governments, which are otherwise constitutionally restricted from discriminating against foreign and interstate commerce, as a positive value, Dispute Settlement Bodies will be under no obligation to balance the claims of trading interests with subnational governmental rights.

These features combine to create opportunities for tax benefits for foreign taxpayers that are more favorable than any U.S. taxpayer can attain. This fact is illustrated by the one case involving state taxes that has been subject to a dispute settlement ruling under GATT. This case is commonly referred to as Beer II and involved a Canadian-U.S. dispute over federal and state taxes and regulations affecting beer production and distribution.

THE UNFORTUNATE LESSONS OF BEER II

A GATT panel issued a report on February 7, 1992, on Canada's challenge to federal and state laws affecting the beer industry. (This GATT panel decision is commonly referred to as "Beer II.") The Beer II decision provides ample evidence that states are justified in fearing decisions that will likely flow from Dispute Settlement Bodies under GATT and GATS. Beer II ignores federalism entirely and fails to acknowledge the sovereign right of states in a federal system to establish different, but non-discriminatory, laws that reflect local conditions that do not necessarily pertain in all states. Finally, Beer II creates tax benefits in states for foreign breweries that no U.S. brewery could obtain in the U.S. court system.

Specifically, there are at least three features of Beer II that are unacceptable to the U.S. constitutional framework of federalism. The three troubling features of Beer II are the panel's (i) employment of an arbitrarily broad notion of "discrimination;" (ii) application of the "least restrictive measure" standard to define the GATT obligation of "national treatment;" and (iii) elevation of GATT above the U.S. Constitution.

Overly Broad Concept of Discrimination Used to Benefit Foreign Taxpayers: The Beer II panel ruled against certain state tax laws that do not discriminate against either interstate or foreign commerce. In particular, Minnesota offers favorable excise tax treatment for microbrewery production that is conditioned only on the size of the brewery and is completely neutral with respect to the national origin or location of the brewery, its product or its inputs. No microbrewery located in Canada is denied access to the favorable tax treatment. (The Minnesota law is distinguishable from some of the other state laws considered in Beer II that condition favorable tax treatment on geographic location.) Yet, the Beer II panel was unwilling to make that distinction. Employing a "beer is beer" standard, the panel swept the Minnesota-type laws into the scope of its disapproval. Under "beer is beer" reasoning, no government would ever be able

to make reasonable or rational distinctions between beer produced under different circumstances unrelated to geographic location. The "beer is beer" standard negates the ability of states to make rational policy choices where there is no evidence of an intent to discriminate against foreign or interstate commerce or to promote local, economic protectionism.

Unless rejected by the federal government or otherwise resolved to the contrary, the original GATT ruling may well provide large Canadian brewers with a special tax benefit in at least one state that is unavailable to large American brewers. This ruling illustrates that GATT and GATS can undermine the equality of treatment between foreign and domestic taxpayers that is guaranteed under the U.S. Constitution. Unless adjusted, GATT and GATS tilt an otherwise level state and local tax playing field in favor of foreign business and against the interests of U.S. businesses and taxpayers.

Classifying taxpayers on the basis of size is a common and acceptable practice that generally poses no problems of discrimination against commerce flowing across political boundaries (e.g., in federal law, S Corporations which may not have non-resident alien shareholders can be distinguished from C Corporations on the basis of number of shareholders). Under the U.S. Constitution, state laws like Minnesota's that classify brewers on the basis of size would most likely be upheld. Other state laws that condition favorable tax treatment on in-state location of the activity, inputs or product would most likely fail a constitutional test. The domestic courts of the U.S. would make careful, well-informed, well-reasoned and justified distinctions between these different types of tax laws. The Beer II panel did not.

Ignoring Federalism: Even more disturbing is the Beer II panel's use of a "least restrictive measure" standard for defining national treatment in order to determine whether discrimination exists. Using the least restrictive measure standard, the panel ruled against higher regulatory standards of some states on the basis that other states had lower standards. Some states impose requirements on the methods of distributing beer as an effective and efficient means of collecting excise taxes. Other states, however, do not impose the same requirements. The Beer II panel's ruling allowed no room for different requirements based on different circumstances confronted by various states, nor did the panel allow any room for differing judgments by separate sovereigns as to the most appropriate requirements to impose to effect collection of taxes.

By imposing on all states the least restrictive measure standard among the states for assessing whether a neutrally structured and intended measure operates on a de facto basis to discriminate under the national treatment obligation of GATT, the Beer II panel struck at the very heart of federalism. The panel's reasoning leaves no room for different laws based on different local circumstances, nor for any range of judgment, regardless of the absence of any discriminatory intent in those judgments, to be exercised by different state sovereigns. Indeed, the combination of the least restrictive measure standard and the acceptance of de facto arguments leaves all state law potentially at risk of being subject to challenge under the aegis of GATT and GATS. Higher taxes levied by a state in which a company from one nation does business could be challenged as discriminatory simply because a competitor does business in another state with lower taxes. The following examples illustrate the potential problems created by the Beer II reasoning, if applied to state taxation:

If Chilean wine is sold primarily in states with low wine taxes, while French wine is sold more often in states with higher wine taxes, the French firms could win a de facto MFN judgment for a GATT panel against states with higher wine taxes.

If the gross receipts tax on a foreign-owned long distance telephone company is higher in the states in which it operates than the tax rates on American-owned long distance (or local) phone companies in other states, the foreign-owned company could win a de facto "national treatment judgment" against the higher tax states.

If a foreign-owned bank pays higher property taxes in the one state in which it operates (for example, NY) than do banks, on average, in other states, it could win a national treatment judgment against the high tax state. (This result would potentially disrupt the billions in revenues realized from property taxation, a form of taxation that is covered by GATS. Property taxes are the primary source of support for education in the United States.)

Since GATT/GATS, as drafted, does not recognize federalism and looks at "discrimination" on a national basis, differences among states in tax treatment of similar economic activity could be used by foreign multinationals to win tax breaks from GATT/GATS panels using the "least restrictive measure" reasoning of the Beer II panel. The obvious result of such rulings would be to destroy America's federal system. Each state would be barred by GATT/GATS panels from setting its own tax policy, settling instead to the lowest level of taxation by any state.

GATT Overrules the U.S. Constitution: The Beer II panel decision does not recognize governmental powers that are reserved to the States under the U.S. Constitution. The panel found in Beer II the States' alcohol regulatory practices, which could not be described intended to discriminate against foreign or interstate commerce or to promote economic protectionism, to violate GATT obligations. This violation was found even in the face of the central government's (federal government's) lack of power to require the States to change their alcohol regulatory practices that are reserved to the States under Twenty-First Amendment of the U.S. Constitution. In essence, the panel has used a congressionally approved international trade agreement to overrule the U.S. Constitution—something the U.S. Supreme Court cannot even do.

GATT/GATS RULINGS CAN BIND STATES, BUT NOT FEDERAL GOVERNMENT

As suggested above, GATT and GATS generally will bind the states in ways that do not apply to the federal government. It is important to keep this difference in effect in mind, because the federal government is simply not subject to the many restrictions applicable to the states and the perspective of the federal government is not, therefore, directly transferable to the states.

GATT and GATS are a part of the foreign policy of the United States that, under the Constitution, is binding on the states. U.S. domestic courts entertaining state tax disputes will consider GATT and GATS rulings by the Dispute Settlement Bodies (and the other authorized decision-making agencies of these trade accords) as expressions approved under U.S. foreign policy unless there is a formal rejection of the rulings by the U.S. government. Thus, in any future cases involving state or local taxes in which the U.S. government does not expressly and firmly reject the GATT or GATS ruling, foreign parties will be able to take the trade ruling into U.S. domestic courts and argue persuasively that the state or local tax practice violates the U.S. Constitution by virtue of being inconsistent with the foreign policy of the U.S.

This ability of foreign parties to seek enforcement of GATT or GATS rulings that may be adverse to a state taxing practice in the domestic courts of the U.S. makes the nature of the dispute settlement process of great concern. Trade panels—closed to the states and comprised of non-U.S. citizens—will begin to play a role previously reserved to the U.S. Supreme Court precedents and constitutional language on the rights and obligations of subnational governments, but empowered instead to interpret broadly vague language, pose a clear and present danger to the U.S. system of federalism.

FEDERAL LAWS MAY CREATE GATT PROBLEMS FOR THE STATES

States, especially in the income tax area, have frequently based their state tax treatment on federal law. The practice of "piggybacking" on federal laws typically simplifies tax compliance and reduces costs for taxpayers and states alike. This practice generally supports the free flow of commerce and should not be discouraged by GATS or GATT. Accordingly, state laws based on federal law should not be subject to a separate challenge under these trade agreements.

In addition, there are several state or local tax practices that are required by federal law. This category of state and local taxation should be similarly protected from the jurisdiction of the trade agreements, more because of the federal interests involved than the state interests.

The following examples—which are not all inclusive—illustrate the category of laws involved in state taxing practices reflecting federal law:

Tax exemptions for non-profit and U.S. government enterprises,

Protection of businesses engaged in interstate, but not foreign commerce, from state income taxation under Pub. L. 86-272, and

Tax exemptions for U.S. and state government securities.

These examples all involve activities that provide for favorable treatment of domestic activities. States are prohibited from taxing federal obligations, but they are allowed to tax foreign obligations. States use federal concepts of charitable, non-profit activities to similarly provide favorable tax treatment to charitable activities within their borders. They do not provide favorable tax treatment for charitable activities outside their borders or, following the federal law, for similar activities provided by for-profit entities. States are required by federal law to provide certain favorable treatment to businesses engaged in interstate commerce, but not those engaged in foreign commerce.

States must comply with federal law and are often wise in using federal tax laws as a basis for their own laws. States should not get caught in a conflict between specific federal laws and general GATT requirements. The federal government should protect states from adverse GATT determinations that might arise from their use of or compliance with federal laws.

PROTECTING FREE TRADE, FEDERALISM AND TAX FAIRNESS

The task at hand is to restore tax fairness and federalism to the framework of the

world trade agreements. Unless this task is accomplished, foreign taxpayers will be able to reduce their state and local taxes unfairly at the expense of U.S. taxpayers. Further, because taxation is at the core of sovereignty, the role of the states in our federal system will be undermined as authority over taxation shifts from state and federal officials to non-U.S. citizens serving on international trade panels.

There is a ready solution to the need to restore tax fairness and federalism to the GATT and GATS framework. Currently, in the GATT negotiations, nations are developing exclusions from the GATT and GATS agreements. These exclusions involve Most Favored Nation Exemptions and National Treatment Reservations. The MFN Exemptions are to be resolved by April 15, and the National Treatment Reservations by June 15.

We proposed to the Administration that they seek two types of exclusions from GATT and GATS as both MFN Exemptions and National Treatment Reservations. In developing the proposed exclusions, we seek to establish two broad principles that will restore tax fairness and federalism to the trade agreements:

(1) The U.S. Constitution should be the basic standard for judging whether state and local taxes are fair and non-discriminatory as they apply to foreign commerce, and

(2) States should not suffer the penalty of adverse GATT or GATS ruling because they comply with or base their taxes on federal laws.

Using these principles, we have proposed to the Administration that they seek an MFN Exemption and a National Treatment Reservation that would exclude from the scope of the trade agreements any state or local tax measures that "satisfy the requirements of the U.S. Constitution as determined by the domestic courts of the States and the United States." Further we have sought an MFN Exemption and a National Treatment Reservation that would exclude from the trade agreements state and local tax measures that "substantially replicate, or discharge requirements or manifest the policy of, the U.S. Internal Revenue Code or other applicable federal law."

These proposed exclusions from the trade agreements remain under discussion. We seek the support of Congress for these exclusions. If these exclusions are incorporated into the GATT and GATS framework, then there would likely be little need to address state and local tax issues in the implementing legislation for GATT and GATS. However, if these exclusions are not adopted, we will return to Congress with extensive and detailed proposals for embodying to the degree possible not only the constitutional and statutory principles listed above, but also a third and fourth additional principles:

(3) As is the case with the federal government, rulings under GATT and GATS should not be legally binding on state and local governments,

(4) Federalism should be recognized as a positive value by allowing state governments, as sovereign entities, full and direct participation in GATT or GATS disputes involving state laws and by requiring that trade panels dealing with state and local tax issues should include tax officials from subcentral governments in federal systems.

Incorporating these principles into the implementing legislation would require detailed provisions dealing with a host of matters including, as a sample, the following: i) a requirement that the U.S. government use the Constitution for judging the acceptability of GATT rulings involving state and local taxes, ii) prohibitions on private rights of action by foreign parties seeking to enforce GATT rulings involving state and local taxes in the domestic courts of the United States, iii) procedures for the direct participation of state governments in defending cases before GATT panels involving state or local taxes, (iv) requirements for nominees from other nations acceptable to the United States for serving on trade panels dealing with state and local tax matters, (v) consultation procedures between the federal government and state and local government when GATT cases begin to arise, (vi) procedures for determining whether and in what manner the U.S. accepts adverse GATT rules, and (vii) procedures for the U.S. government to pay compensation or other means that avoid unfunded mandates on state or local governments if adverse GATT rulings occur. There may be other subjects that should be considered in the implementing legislation as well. However, most if not all of these subjects need not be addressed if the U.S. secures the type of MFN Exemptions and National Treatment Reservations we have sought.

The linchpin of our proposals is the Constitution. For that reason, it is necessary to understand why the Constitution works to ensure fundamental fairness in state and local taxation for foreign and domestic taxpayers alike.

HOW THE U.S. CONSTITUTION ENSURES TAX FAIRNESS

The Interstate Commerce Clause, combined with other provisions of the U.S. Constitution, guarantees that states tax out-of-state parties in the same manner as they tax their own state residents. Further, the Foreign Commerce Clause requires that the states tax foreign parties in the same manner as they tax U.S. parties. Both clauses interact to achieve more effectively and precisely than GATT or GATS can guarantee essential equality in taxation for foreign and U.S. interests alike. Further, the case law under these provisions is careful and well-developed and is not subject to the likely abuses under the ambiguous language and incomplete precedents of the trade agreements. Because of the effectiveness of the U.S. Constitution in guaranteeing equal and non-discriminatory taxation, the Constitution should be the basis for achieving the result sought by GATT and GATS: trade that is not restrained by discriminatory taxation.

Because foreign companies are well protected by the Constitution against unlawful discrimination, local economic protectionism and undue burdens placed upon commerce, GATT/GATS should not limit or affect the tax methods by which states or other subnational governments raise revenue from business activities over which they have jurisdiction. During the past 200 years, the United States Supreme Court has consistently safeguarded interstate and foreign commerce from discrimination and undue burdens caused by unlawful state tax measures. Several provisions of the United States Constitution exist to address overreaching by the states when they seek to require interstate and foreign commerce to bear a "fair share" of taxation. Those protections reside in Articles I, §8, cl.3 (Interstate and Foreign Commerce Clauses), §10, cl.2 (Import and Export Clause), VI (Supremacy Clause), and Amendment XIV, §1 (Due Process and Equal Protection Clauses) of the Constitution. This discussion is limited to an examination of the Commerce Clause protections extended by the Constitution which more than amply protects consistent with the standards of GATT and GATS domestic and foreign companies transacting business in foreign commerce.

Under the Foreign Commerce Clause, states and their political subdivisions are only allowed to impose a tax obligation on business engaged in foreign commerce when the obligation:

1. Is applied to an activity with a substantial nexus with the taxing state;
2. Is fairly apportioned;
3. Does not discriminate against interstate commerce;
4. Is fairly related to the services provided by the taxing state;
5. Does not create a substantial risk of international tax multiplication; and
6. Does not prevent the Federal Government from speaking with one voice when regulating commercial relations with foreign governments.

Unless each and every requirement listed above is fully met, the tax obligation will fail under the Foreign Commerce Clause and the taxpayer who might have paid the tax will be entitled to meaningful relief. See *McKesson Corp.* v. *Division of Alcoholic Beverages and Tobacco*, 496 U.S. 18 (1990).

Since the adoption of the Constitution, the United States Supreme Court and state courts have addressed scores of state tax issues and found many to violate the Interstate and Foreign Commerce Clauses. In the past ten years alone, the Supreme Court has issued several opinions declaring invalid against the Commerce Clause state tax measures that bore on interstate and foreign commerce. Representative examples of but a few of those cases are found in Westinghouse Elec. Corp. v. Tully, 459 U.S. 1144 (1983); Bacchus Imports, Ltd. v. Dias, 468 U.S. 263 (1984); New Energy Co. of Indiana v. Limbach, 486 U.S. 269 (1988); Kraft General Foods, Inc. v. Iowa Dept. of Revenue and Finance, —— U.S. ——, 112 S.Ct. 2365 (1992). State courts also preserve the free flow of commerce. See HL Farm Corp. v. Self, 1994 WL 1927 (Tex.).

Our message is simple: the Constitution works, and has worked, for over two centuries as an instrument of free trade, federalism and tax fairness. That is why we have made the standards and procedures of the Constitution the foundation of our proposals for exclusions of certain state and local tax measures from the scope of the GATT and GATS. That proposal, combined with a further provision protecting states when they act on or implement federal law, would effectively harmonize the trade agreements with our system of federalism. We ask for your support for the MFN Exemptions and National Treatment Reservations that we have proposed.

Protecting the role of state and local governments in our nation is not an abstract or theoretical matter. The states have primary responsibility for meeting the domestic needs of the people of our nation. The states and their subdivisions maintain public order, educate future citizens and workers, maintain the essential infrastructure necessary for commerce and public life, and assist persons beset by misfortune or wrong choices to become productive members of society again. They do these tasks and more in a diversity of ways. That diversity is an important value of our federal system. States are laboratories of democracy and are a continuous source of innovation to meet a range of public needs. Endangering state tax sovereignty inevitably imperils the vitality and stability of our society.

Mr. CRAIG. Before closing, Mr. President, I would also like to mention that the WTO has not received accolades abroad.

Articles in various papers and journals have outlined concerns that our trading partners have on the structure of the World Trade Organization and issues of sovereignty.

Mr. President, after World War II, representatives from the United States and Great Britain designed a postwar economic system with three pillars: the World Bank, the International Monetary Fund, and the International Trade Organization [ITO].

The ITO was intended to be the administrating body covering the General Agreement on Tariffs and Trade [GATT]. As I mentioned earlier, Mr. President, the U.S. Congress rejected the ITO as a threat to U.S. sovereignty.

The Congress took that action despite warnings from beltway insiders that the failure to join this would certainly impede economic recovery for the entirety of the world.

Our predecessors realized that the United States and our trading partners did not need a bureaucracy. What they needed was free trade. And, of course, this Senate rejected it. And yet we saw the world go on to prosper, as GATT itself and as we worked in a voluntary way to promote free trade around the world.

Well, Mr. President, I hope that congressional wisdom will continue to prevail and that many of the questions I have spoken to today and others are speaking to about the World Trade Organization will be resolved to ensure our U.S. sovereignty and the very important question of States rights.

It is clearly time that we listened to the underpinnings of this amendment and that we are willing to stop for just a moment and do an extensive examination, as the amendment calls for, some 90 days' worth of examination, and respond to our attorneys general and to our State tax commissioners and to our Governors, who are concerned, as we should be, about the issue of our sovereignty and about the issue of States rights.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER (Mr. FEINGOLD). The Senator from Vermont.

Mr. LEAHY. Mr. President, I will yield to the Senator from Montana in just a moment.

But assuming all the arguments made by all the supporters of the amendment by the Senator from South Carolina, we still come down to one major point. This is not the vehicle for it. This is an appropriations bill. This is not an authorizing bill.

We are going to have debates on implementing legislation for the GATT. There will be debates in the Finance Committee, as there will be in the Senate Agriculture Committee. I am perfectly willing to assume that the distinguished chairman of the Finance Committee, Senator MOYNIHAN, would oppose this, certainly on this appropriations bill, just as I, in my capacity as the chairman of the Senate Agriculture Committee, would oppose it. If you want to bring it up on implementing legislation, fine.

The other point to realize is, of course, every Senator has a right to speak on this as long as they want. But the fact of the matter is, this will not become law on this bill. It is not going to be accepted by the other body in the conference. It can mean that we could spend a lot of time putting our various foreign policy earmarks in this bill, and they will disappear. They will disappear in the continuing resolution that will be sent over by the other body sometime toward the end of September.

We can either pass a foreign operations bill, one that is designed to bring into play a number of significant earmarks and issues raised by some of my distinguished colleagues and by the distinguished Senator from Kentucky and by myself and some by others that are in this bill, and it will pass overwhelmingly. And they are not in the legislation from the other body.

But I guarantee you, this is not going to be able to be accepted if it is adopted here. All Senators should have the right to vote on it, and I hope they might very, very soon. They either vote to add it in or vote to keep it out. But it will not make it possible for us to conference a bill with it in and that will be accepted by this body or the other body, and we will end up with a continuing resolution without some of the country specific designations that we now have in our foreign aid in here.

That again is fine. Senators have to make up their own minds on that. I am not suggesting whether that is a good idea or a bad idea. I am just trying to point out the realities.

With that, I yield to my friend from Montana, who has proven time and again that he is one of the foremost experts the Senate has had on the whole issue of international trade, on the question of GATT and NAFTA, and numerous others.

I feel privileged to have him as a member of the Senate Agriculture Committee and a member of the Finance Committee. He is the chairman of the Environment and Public Works Committee. But he is a Senator that I turn to more and more in my career in the Senate on these issues of international trade because of his proven expertise.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I thank the Senator from Vermont for his very kind words.

I understand, and I think most Members of the Senate understand, the concerns the Senator from South Carolina has, the Senator from Idaho has, and the concerns a lot of Americans have, over proposed Uruguay round agreements, including the World Trade Organization and particularly including the disputes settlement mechanism.

I think we all know this is the post-cold-war era. The world has changed. It has changed dramatically. Each country is now, to some degree, assuming an economic agenda a bit more than it has in the past, at least during the cold-war era. And that is probably the way it should be, each of us looking for a way to increase our economic position, to boost our incomes. American families are looking for ways to boost their incomes, as well they should. In fact, we here are doing what we can to help, in large respect, particularly American families to increase their incomes in this uncertain world we find ourselves in into the 1990's, and particularly into the next century.

I would like to follow on the words of the chairman of the Agriculture Committee, Senator LEAHY, in basically saying this resolution is not properly offered on this bill. This is an appropriations bill. This is not an authorizing bill. We are not here debating provisions of the Uruguay round. We are not here debating the provision of the implementing language that Congress, I think, will debate fairly quickly with respect to ratifying or not ratifying the proposed Uruguay Round Agreement.

In addition, I must say that it probably makes much more sense for these issues—and they are very good issues, and I have a lot of sympathy for and, in fact, agree with a good part of the statements that have been made thus far—to debate these in the ordinary course.

What is the ordinary course? The ordinary course is, of course, the Finance Committee will be working on implementing language. Senator MOYNIHAN, the chairman of the committee, has scheduled hearings this week and next, particularly next week, when he thought he would begin to go toward debating and adopting implementing language which goes to the questions raised by Senators who have previously spoken in favor of this resolution.

It is, I think, unwise to put the cart before the horse. By voting now in favor of this resolution, we, in a sense, would be putting the cart before the horse. It makes much more sense for the Congress, particularly the Senate, to look at the implementing language after it is drafted, and agree to the implementing language which addresses concerns raised by Senators in favor of this resolution.

Once the implementing language comes to the floor of the Senate, we will have ample, ample opportunity to debate the merits of that implementing language. That is the proper

course. I urge Senators to follow that course, because that course will result in a much better product.

We must also remember that it would be unwise to lose sight of the big picture. What is the big picture? The big picture, frankly, is there is a lot of good and, I think on a net basis, more good in the Uruguay Round Agreement. If Congress ratifies the Uruguay Round Agreement and if the other participating countries ratify it, we Americans will find that our GDP will increase $200 billion every year; a massive infusion, a massive addition to the United States gross domestic product because of provisions in the proposed Uruguay Round Trade Agreement.

Where are those benefits? One is in intellectual properties. Today, about $60 billion worth of American intellectual property—that is, goods for which we have trademarks that are copyrighted—are pirated by people in other countries to their benefit and to America's disadvantage.

The proposed world trade agreement, the proposed Uruguay agreement—they take very significant first steps. There was a "free rider" problem in the past; that is, some countries could adopt some portions of trade agreements and not others. This proposed trade agreement requires all countries to enact very significant intellectual property, copyright, and trademark protection that inures to the tremendous benefit of Americans because most intellectual property pirating is by other countries pirating American intellectual property. We still are the most creative society, the most creative country in the world. We generate more new ideas that we Americans copyright and provide intellectual property protection for than other countries. This agreement helps keep those dollars in the United States.

Second, this agreement opens new markets for American farmers, American agriculture. This agreement will open new markets by about a third. There are tremendous reductions in export subsidies that other countries enact that inure to our benefit. Generally, we Americans have about $1 billion of export subsidies helping promote our agricultural exports overseas. The European Union has about $10 billion—10 times what we have. This agreement provides for a 26-percent reduction in export subsidies. Obviously a 26-percent reduction of $10 billion the European Union has to face compared to the 26-percent reduction of $1 billion we Americans face means we come out ahead. We come out very much ahead because of the agriculture provisions in the round. Beyond that, there are generally major benefits in tariff reduction for manufactured products, reductions of about one-third.

So, all in all, it is important to realize that this agreement has tremendous provisions in it which will dramatically increase and give a boost to the American economy. That means more jobs for Americans.

Mr. President, it is true there are some concerns. One is the so-called secrecy provision referred to by the Senator from Idaho. That is a concern I have. I am quite concerned that the dispute settlement provisions in the proceedings in the World Trade Organization are not sufficiently transparent, they are too secret. We are going to address those provisions in the implementing legislation by providing that Americans can sit in on proceedings. They should sit in on proceedings. I think it is a real problem the Senator from Idaho properly raised. We are going to address that.

Second, we have concerns about American sovereignty—very real concerns about American sovereignty. I think it is important to point out, though, those same concerns exist today because today we Americans bring many more cases to the GATT than do other countries. Four-fifths of the time we Americans prevail in cases we bring to the GATT. Why do we bring more cases to the GATT than do other countries against us? Because we are the biggest country. We are the biggest consuming country. We are the wealthiest country. We Americans buy a lot of other countries' products and we are also the most open country.

By the way, that is a major benefit of the round in that it lowers other countries' barriers proportionately more than it lowers ours. But nevertheless, today we bring more cases to the GATT than other countries do. And we win four-fifths of the time.

Currently, any other single country can block a GATT panel decision in America's favor. All it takes is one country. The Reagan administration and the Bush administration frankly advocated and asked for, in the GATT negotiations, binding dispute settlement mechanisms so that no one country in the future could block. Because we are there more than other countries, we do not want other countries to block. Currently other countries can block with their one vote. Under the proposed agreement that will no longer be the case, so we will come out net beneficiaries.

Second, in those areas where a GATT panel rules against the United States today, and in the proposed agreement, we Americans—the U.S. Government—we reserve the authority to either agree or disagree; we reserve the authority to either change our law or not change our law in accordance with the GATT panel decision. That is what we have done in the past. That is also under this proposed agreement what we will do in the future.

For example, not too many years ago, the GATT panel ruled against the United States in the so-called tuna/dolphin case. That was a case where the U.S. Congress passed the Marine Mammal Protection Act, which essentially said countries which export tuna into the United States, tuna caught with fishing nets that catch dolphins—we could not import tuna caught that way into the United States. That went to a GATT panel. The GATT panel ruled against the United States.

What did we do? We Americans said: Sorry, we are not going to change our law. We have not changed our law. We still have the same law. Other countries have not retaliated.

Why have they not retaliated? Because we are still the biggest economic power in the world and I expect that will be the case in the future. The same thing under the proposed agreement. Let us say a panel rules against us, hypothetically. We reserve the right to either agree or disagree, reserve the right to either change the American law or not change.

Let us say we do not want to change our law. Other countries do have the right to retaliate just as they have today. But whether they do or do not will depend so much on circumstances and whether they want to take on the United States, which is the largest, strongest economic power in the world. So far they have not. I do not think they will in the future either. So there are a lot of answers to these earlier initial concerns that a lot of people had. Frankly, I think it is wise for us, again, not to put the cart before the horse.

I must also point out that we, the Finance Committee and others, are working with State governments and State associations to find ways to address the States rights concerns that the Senator from Idaho raised. Those are good points. They should be addressed and we will be addressing those.

Finally, to sum up, Mr. President, the U.S. Congress passed so-called fast-track legislation in 1988, renewed it in 1990, again in 1993. We in the Congress passed a law setting up this procedure. We wanted executive agreements. That is what the law says. That is what we wanted. That is what we provided. We are just here following the law that the Congress enacted which Republican Presidents have asked for, which Democratic Presidents have asked for. That is the process. Under that, we look at the implementing language. If we in the Senate agree with the implementing language, we ratify it. If we do not, we reject it. But we have not yet seen the language. So it is difficult not to prejudge it. I suggest we wait until we get the language, we in the Senate, and then make a judgment.

I tell my colleagues we in the Finance Committee, again, hear these concerns. Frankly, we are burning the midnight oil to address them because some of them are very real concerns.

Mr. CRAIG. Will the Senator yield?

Mr. BAUCUS. I will be happy to yield.

Mr. CRAIG. I think the Senator knows we share a concern about the importance of trade to the country and its economic well-being and place in the world. But I am pleased to hear the Senator speak about the dispute resolution provisions. There clearly are questions there that have to be answered. I did not say I would oppose GATT. I did come to the floor and speak to this amendment, as the amendment itself speaks to a concern, trying to bring together our best minds to try to solve these problems before we get ourselves into trouble. I think that is the essence of the amendment. It is not anti-GATT and was not intended to be.

What it is intended to do is to clarify what the World Trade Organization's authority is and how that might impact a State, and State tax commissions. I mean, when my State tax commissioners, who are very bipartisan, and when my State attorney general, who by the way is of your party and not mine, take the time to call me personally and say, "We have some very real problems here, Senator; you ought to address them before you vote on this thing," I think that is a legitimate concern. And that is what provoked me to begin to examine the details of the language of the World Trade Organization as proposed in this agreement, and why I am now a supporter of this amendment.

I guess I am surprised that we would want to oppose this amendment. I do not believe it is anti-GATT. I think it is desiring to create a situation and address the very request of the States attorneys general, and that is of a summit that brings out these issues and resolves them in the implementing language that you have suggested it could be resolved in.

I thank the Senator for addressing that issue.

Mr. BAUCUS. Just replying to the Senator, Mr. President, I oppose the amendment for two reasons: one, because it is premature; and, second, because it kills any ability of the Congress to consider whether or not to ratify the GATT this year because of the 90-day provision in the resolution.

I think it is premature for Congress today, with virtually no debate, to decide that under no circumstances are we going to take up the implementing language and whether or not to ratify the GATT this year. That is premature. Without looking at the implementing language, without trying to address the implementing language, I think the better course is to look at the implementing language, if it ever comes—I say to the Senator, there is a possibility the Senate may not take it up this year. In fact, I think it is not only a real possibility, but I think there is some probability that in the normal course of business, the Congress will not take up the Uruguay round this year.

I say that because I think the administration has done a very poor job in explaining what this is all about and explaining its benefits.

Second, I think the administration has done a very poor job in trying to find a way to pay for it. They have not consulted anyone on this side of the aisle; they have a few on your side of the aisle. I must say, it is a little strange to me that the President of the United States would first consult with Members on the minority side before he consulted with Members on the majority side.

Because of the poor job the administration has done, there is some probability that it may never come up this year. But if they get their act together, if it does come up before the Finance Committee soon, then I think we will have an opportunity to address these issues.

Mr. CRAIG. I thank the Senator for yielding again. That is why I do not believe the 90 days is deleterious to the whole issue. I think we have ample time and I think that is what the Senator felt when he offered the amendment; that we are not going to deal with it this year. I guess I must also react by saying I am not terribly surprised this President would come to the minority party when it comes to trade issues. I think he had to coalesce with them to get NAFTA through. He probably feels the same here.

My guess is, though, that if he resolves or works with us to resolve the very real questions of the World Trade Organization, it can become a very bipartisan base of support for GATT. If he fails to do that or if we fail to do that, my guess is that it will be a very bipartisan voice of opposition to this agreement, and we should not find ourselves there. We ought to know better and work out these differences before we get to this very important trade agreement for our country and the world.

Mr. BAUCUS. I appreciate that and, just to finish, we will more likely get a bipartisan agreement if we let the ordinary process continue than if we do not.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

Mr. President, I listened with great interest to our friend from Montana who said something that I did not realize. He said there is going to be "plenty of time" to debate GATT when it comes up on the floor.

One of the reasons I am apprehensive is that we have the fast track rules that are going to apply. Debate will be limited, I say to the Senator from Montana, to 20 hours, no more. Also, no amendment will be permitted, and that means that what should be a treaty will be approved—a treaty that no Senator knows much if anything about. I say to you, Mr. President, that this is a bad way to legislate, particularly for the U.S. Senate, which has always prided itself as being the world's greatest deliberative body.

So that leads me to the conclusion, Mr. President, that the U.S. Senate should overwhelmingly support the pending resolution offered by the distinguished Senator from South Carolina [Mr. THURMOND] and the others of us who have felt it is absolutely imperative that there be a delay in the submission to Congress of the GATT agreement until more public hearings are held.

Mr. President, I do not know how many people in the press gallery know one thing in the world about this GATT agreement or the World Trade Organization. If they profess to know anything about it, I would like to meet them outside. I want them to tell me what they know about it.

The Senate has the duty to study this massive agreement very carefully, and the Senate has not done that at all. We need to take a serious look at this agreement lest a tragic error be made in terms of the best interests of this country and the American people. So do not give me all this hogwash about we need to move along, or that this is not the right vehicle. It is always the "right vehicle" when you are trying to protest something that ought not happen.

There are many citizens who have many concerns about the WTO. Reference has been made to the State attorneys general—42 of them—who have written to me and to the President saying, "Please, hold up on this thing. We have fears about the attacks on the sovereignty of the United States."

Mr. President, I am sick and tired of this business of rolling things through the Senate not knowing one thing about what the Senate is doing in the process, just because a President says he would like to have it done.

If the President will send word up to the Senate that he is not going to trigger the fast track this year, the Thurmond amendment will be withdrawn. I have not checked it with Senator THURMOND, but I believe that if the President does not intend to trigger the fast track moving, that this argument is over. But, no, they are going to try to slip it through at the last minute—20 hours of debate and roll it into law.

Last week, 42 State attorneys general wrote to the President saying in effect, "Please, delay submitting the GATT agreement for consideration by the Senate so that a summit," as they put it, "a summit can be held to discuss how the World Trade Organization impacts on State laws." They are worried about State laws, and I am worried about U.S. laws.

State tax commissioners, or revenue commissioners as they are called in some States, have also expressed grave concerns.

No more than a handful of Senators—and let us be honest about this—have the vaguest notion what is in this massive trade document, and there have been very few hearings on it. The 42 State attorneys general are absolutely right, more hearings are imperative before this agreement is formally considered by the U.S. Senate.

Mr. President, we are not playing games here. We are talking about the sovereignty of the United States of America. This new trade agreement, and especially the World Trade Organization, could very well be a prelude to disaster.

One of the great privileges I have had in my life is to serve for 2 years as the junior Senator from North Carolina when Sam Ervin was the senior Senator. Sam Ervin had been one of the great constitutional scholars of our time. He was also my friend. We did not belong to the same party, but I had great affection and respect for him. I believe he had some for me. After he left the Senate, never a day passed that he did not call me or I call him. He was a great American.

One of his greatest apprehensions was the danger that international agreements so often posed to national sovereignty. Time and time again he called me and said, "JESSE, watch out for that." He often said, prior to the Vietnam war, that the United States never lost a war, nor won a treaty. I do not think this was original. I think Will Rogers, or somebody, said it first. But it is well worth bearing in mind.

Mr. President, I have done my best to uphold Sam Ervin's concerns, and as long as I am in the Senate, I will continue to make that effort.

But let me make this point. We hear the glib comment: "Well, this is so good for trade." What kind of trade? What kind of attacks on sovereignty? I will bet you that there are not 10 Senators, if that many, who could tell you how many pages there are in this agreement. I will tell you, it is 825 pages long. It is enough to give you a hernia trying to carry it around, and it has 22,000 pages of addenda. Do you want to bet me that 10 Senators know what is in it? You will lose.

In reading parts of this GATT agreement, I found myself amazed. This agreement, as I have indicated, creates an entirely new international institution. They call it the World Trade Organization, which is going to replace the old GATT organization. It has some flaws that Senators ought to bear in mind.

The WTO takes away the ability of the United States to veto decisions that are harmful to the best interests of the United States. We have a right to veto in the United Nations but not in the World Trade Organization. One might refer to this organization as a "United Nations of World Trade," except the United States does not have a veto anymore.

Everybody favors expanding world trade. I find myself a little bit nauseous at these pious declarations: "Well, we must have more world trade." Of course, we all want to eliminate world trade barriers. But while I am for world trade, I am flat out against world government. And I believe the majority of the American people feel the same way about it.

Mr. President, let me specify just a few of the concerns that I have with this so-called World Trade Organization. It is impossible to mention all of them here; it would take the rest of the afternoon. I do not want to do that. But let us go over a few of them. Later on, if anybody wants to hear, I will add a few dozen more concerns.

But, first, under this World Trade Organization, the United States of America, which is supporting about half the world with foreign aid, has only 1 vote out of 117. Many important votes will be cast in the next 10 or 25 years if and when this World Trade Organization goes into being and becomes effective. Votes to amend and votes to interpret the provisions of the WTO. The WTO will decide how to interpret all of these 22,000 pages of addenda and 825 pages of the agreement.

Since we have only that one vote, we may very well be outvoted by Third World countries just as we are in the United Nations where 83 of the countries vote against the United States 50 percent of the time. At least we have the power of the veto in the United Nations. But we have nothing but one vote in the World Trade Organization. These countries vote against the United States in the United Nations—think about them in terms of the World Trade Organization: Cuba, Uganda, Ghana, Chad, Zimbabwe, Cameroon, Bangladesh, Cyprus. At least at the United Nations, I reiterate for the purpose of emphasis, the United States can veto decisions with which the United States disagrees because of the adverse effect on the best interests of this country.

Second, under this World Trade Organization that is going to be put on a fast track—20 hours of debate, and bye-bye birdie, into law it goes—the United States gets one vote, but the United States will pay 20 percent of the budget of the World Trade Organization. They are socking it to Uncle Sugar again.

Why do the American taxpayers always end up on the short end of the stick? They end up paying most of the tab for these international organizations. That bothered Sam Ervin and it bothers me. It does not bother the news media. You will not read one thing about this debate in the Washington Post tomorrow morning. It will be the best kept secret in American journalism. And that suits me just fine. But if it is possible to have any effect whatsoever in slowing down this fast track that will be imposed on the U.S. Senate, or better put, upon the American people, I am going to try to do it.

We no longer have the veto to stop the bad decisions. Under the old GATT each country could effectively exert a veto over a bad decision by not agreeing to adopt the panel's final decision. That is the way it used to be. This would preclude another country from retaliating against the United States.

Under the new World Trade Organization as it is proposed to be, a country can no longer stop the panel decisions. These World Trade Organization decisions will be automatically adopted unless the winner agrees to drop the case. And how many winners do you think are going to do that? Therefore, if the United States, hypothetically, loses a case in the new World Trade Organization, what options do we have?

First option. When I say this, Mr. President, Sam Ervin is going to spin in his grave. The United States can change its laws to conform with the World Trade Organization. Or the United States could pay compensation. Or the United States could face trade retaliation. Those are the three options we have.

Mr. President, the United States will face incredible pressure, do you not see, to change a law that offends somebody in another country. It is like having a gun held to Uncle Sam's head: Change your law, give us money, or we will shoot you. It sounds like certain sections of Washington, DC, at 3 in the morning.

It seems to me, Mr. President, that the sovereignty of the United States is so clearly at risk and we are faced so obviously with such consequences if we refuse to change our laws. STROM THURMOND is right in sending forward his resolution. I do not care whether it is an appropriations bill. I do not care whether some think it is not the right bill. I have managed many a bill since I have been in the Senate, and I have never objected to anybody's offering an amendment in the context of his apprehension or her apprehension that the best interests of this country would not be served otherwise. I challenge anybody to check the record and see if I have ever objected. I may not have voted for it, but I have never complained such a serious amendment was not on the right vehicle. And I never will.

Mr. LEAHY. Will the Senator yield?

Mr. HELMS. Yes.

Mr. LEAHY. I do not know if I misunderstood the Senator.

Mr. HELMS. I yield for a question.

Mr. LEAHY. Is the Senator suggesting that the manager of the bill said that Senators did not have a right to offer an amendment to this bill?

Mr. HELMS. No, I did not say that.

Mr. LEAHY. Then I misunderstood the Senator. Was the Senator suggesting that the manager of the bill has in any way impeded the ability of anybody to offer this amendment?

Mr. HELMS. If the Senator will repeat all after the word "suggesting," I will appreciate it.

Mr. LEAHY. Is the Senator suggesting the manager of the bill was in any way impeding any Senator from being able to offer the amendment now before us?

Mr. HELMS. Obviously not, because the manager of the bill does not have the right to do that in the first place, does he?

Mr. LEAHY. No. In fact, the manager of the bill has said——

Mr. HELMS. Mr. President, I have no personal animus——

Mr. LEAHY. It is not appropriate on an appropriations bill but that everyone would have a chance to argue——

Mr. HELMS. The Senator has to state his point with the question mark. I am saying to the Senator that I have no personal animus against the chairman of the Senate Agriculture Committee. I understand, because I have been in his shoes, the desire to move a piece of legislation that he is managing. But I am saying that the statements that I constantly hear, "Oh, we must not do this to this bill," I think the spirit of and meaning of the U.S. Senate is for the Senate to speak its will on what Senators—even a minority of Senators—feel is bad principle for this country.

Mr. LEAHY. Will the Senator yield further for another question?

Mr. HELMS. Yes, sir.

Mr. LEAHY. Would the Senator accept that this is authorizing legislation on an appropriations?

Mr. HELMS. Absolutely. That does not mean a thing to the American people, and it means very little to me. I think that the Senate ought to consider vital issues. We have authorizing bills. We have appropriations bills. As a general rule, it is fine to go ahead and have a delineation of the two. However, I have not seen an appropriations bill in a long time that did not have a lot of legislation in it. Do you see what I mean?

I am saying to the Senator that I am so concerned about this sovereignty issue that I intend to have my full say, and if I offend the Senator, I apologize to him.

Mr. LEAHY. If the Senator will yield for a question, I hope he does not think that I am suggesting he is criticizing me. I was in the Cloakroom and missed part of what he said. That is why I was trying to find out what he was saying.

The Senator is not suggesting that the manager of this bill would in any way try to cut off the debate of any Member on this issue.

Mr. HELMS. No, because the Senator cannot do it, unless there are 60 votes.

Mr. LEAHY. Will the Senator yield for a further question?

Would it not have been possible if the Senator who is managing the bill—is it not a fact that the Senator urged Senators to come to the floor, and did not move to table as he obviously could have under the law? In fact, is it not the fact that the Senator says he wants to make sure that every Senator has been heard on this subject prior to making a motion to table, something that was available to the Senator from Vermont, and would have cut off debate on this particular issue?

Mr. HELMS. If I understand what the Senator is saying—and if it is a question, I did not hear a question mark at the end—in the first place, any Senator who moves to table an amendment with nobody on the floor will find themselves in serious personal difficulty the next time he has something. So I know the Senator from Vermont would not do that. He is an honorable man. He is a good legislator and a good Senator.

But I do not think I will yield for any more questions. I think the two Senators, Senator LEAHY and Senator HELMS, understand each other. I will probably wind up here in a little bit so somebody else can have the floor.

Mr. President, under the old GATT, the General Agreement on Tariffs and Trade, each country could effectively exert that veto that I discussed over an undesirable decision by not agreeing to adopt the panel's final decision. That is what I was saying before the distinguished Senator from Vermont asked his several questions.

A fourth concern is the impact that the new World Trade Organization can have on State laws, and those 42 attorneys general have addressed that situation very, very clearly. Foreign countries, do you not see, have the ability to challenge the laws of any one or all of the 50 States of the Union. All they have to do is file a case with the World Trade Organization. Canada, as a matter of fact, did exactly that sort of thing when it challenged the tax laws on beer of some 40 U.S. States, and Canada won. Now the administration is trying to convince some States to change those laws.

But under the new World Trade Organization, the Federal Government will put pressure on States to change law. As a result, obviously, many States may be compelled to change some of their laws. That is why the attorneys general of the 42 States wrote a collective letter to President Clinton expressing their concern. These 42 attorneys general requested that a State-Federal consultation summit be held either this month, July, or next month, August, before the administration submits the implementing bill. And the THURMOND resolution responds to the concerns of the States' attorneys general and calls for a delay so that this summit can take place.

That is a valid amendment, whether it is an appropriations bill, or authorization bill, or anything else because that takes precedence in my mind over any other thing. When we start playing around with the sovereignty of the United States of America, that is time for the Senate to act under whatever rule it chooses.

Let me read a little bit of what the attorneys general wrote to Mr. Clinton. It said:

> DEAR MR. PRESIDENT: As defenders of State laws, State attorneys general have a particularly keen interest in State sovereignty. The Uruguay Round of the General Agreement on Tariffs and Trade, which is expected to be submitted to Congress under fast-track authority soon, appears to have broad implications for States' self government. Given the paramount importance that the U.S. Constitution assigns to States' rights, we would like to request a State-Federal consultation summit on this issue to be held in July or August before the administration submits implementing legislation.

Mr. President, does that sound familiar? That is exactly what STROM THURMOND is asking the Senate to approve. Forty-two attorneys general in the United States have asked the President to do this. I do not know whether they received a reply from him or not. Then the letter says:

> We are requesting a summit to give State officials the benefit of a thorough airing of the concerns about how the Uruquay Round and the proposed World Trade Organization would affect State laws and regulations. Many State officials still have questions about how some of our State laws and regulations would fare under the WTO.

I will say, parenthetically, you bet they have concerns, and the U.S. Senate, all 100 of us, ought to have the same concerns about Federal law, and Federal sovereignty.

The letter goes on to say:

> As you know, the U.S. Trade Representative's office is charged with an interesting set of responsibilities. On the one hand, its primary responsibility is to promote U.S. exports and international trade. Yet, on the other hand, the Trade Representative's office is charged with the responsibility of protecting State sovereignty and defending State law [any State law] challenged in the various international dispute tribunals. Given the inevitable conflict in fulfilling both sets of these responsibilities, we would like to take advantage of the proposed summit to clarify a range of serious concerns, including: One, whether the implementing legislation adequately guarantees States that the Federal Government will genuinely consider accepting trade sanctions rather than pressuring States to change State laws which are successfully challenged in the WTO.

Mr. President, I will say to the distinguished manager of the bill on the Republican side—I see him smiling—I do not know who wrote this letter. But whoever wrote it ought to get a bonus because the author of this letter, who is speaking for the 42 State attorneys general, is hitting it right on target.

The second thing they indicate is "whether States have a guaranteed right and formalized process in which they could participate in defending their own State laws." Of course. These State attorneys general are right on

target. Then they say: "We want to know whether the USTR is required to engage in regular consultation with the States, and involve any State whose measures may be challenged in the defense of that measure at the earliest possible opportunity."

That is another great point.

Then they want to know "whether parties challenging a State measure under GATT will be able to prevail based on the fact that one State law is simply more or less restrictive than another State," and "whether GATT grants any private party a right of action to challenge a State law in Federal court," and so on and so on.

I ask unanimous consent that the full letter of the 42 attorneys general be printed in the RECORD at this point.

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

STATE OF MAINE, DEPARTMENT OF THE ATTORNEY GENERAL,
Augusta, ME, July 6, 1994.

Hon. WILLIAM J. CLINTON,
President of the United States,
Washington, DC.

DEAR PRESIDENT CLINTON: As defenders of State laws, State Attorneys General have a particularly keen interest in State sovereignty. The Uruguay Round of the General Agreement on Tariffs and Trade (GATT), which is expected to be submitted to Congress under fast-track authority soon, appears to have broad implications for State self-government. Given the paramount importance that the U.S. Constitution assigns to State's rights, we would like to request a State-Federal Consultation Summit on this issue, to be held in July or August, before the Administration submits implementing legislation. Although we have agreed to take the lead on this issue, because it affects all State officials, an invitation would be extended to State executive and legislative branches as well.

We are requesting a Summit to give State officials the benefit of a thorough airing of concerns about how the Uruguay Round and the proposed World Trade Organization (WTO) would affect State laws and regulations. Many State officials still have questions about how some of our State laws and regulations would fare under the WTO and its dispute resolution panels. This is of particular concern given that some of our trading partners have apparently identified specific State laws which they intend to challenge under the WTO.

As you know, the U.S. Trade Representative's Office (USTR) is charged with an interesting set of responsibilities. On one hand, its primary responsibility is to promote U.S. exports and international trade. Yet, on the other hand, the Trade Representative's Office is charged with the responsibility of protecting State sovereignty and defending any State law challenged in the various international dispute tribunals. Given the inevitable conflict in fulfilling both sets of these responsibilities, we would like to take advantage of the proposed Summit to clarify a range of serious concerns, including:

Whether the implementing legislation adequately guarantees States that the federal government will genuinely consider accepting trade sanctions rather than pressuring States to change State laws which are successfully challenged in the WTO.

Whether States have a guaranteed right and a formalized process in which they can participated in defending their own State laws.

Whether the USTR is required to engage in regular consultation with the States, and involve any State whose measures may be challenged in the defense of that measure at the earliest possible opportunity.

Whether parties challenging a State measure under GATT will be able to prevail based on the fact that one State law is simply more or less restrictive than another State's.

Whether GATT grants any private party a right of action to challenge a State law in federal court.

Whether an adverse WTO panel decision can be interpreted as the foreign policy of the United States without the subsequent ratification of the Congress and the President.

Whether GATT panel reports and any information submitted by the States to the USTR during the reservation process are admissible as evidence in any federal court proceeding.

Whether a panel decision purporting to overturn State law shall be implemented only prospectively.

Whether the federal government may sue a State and challenge a State measure under GATT without an adverse WTO panel decision.

How will adverse WTO panel decisions impact State laws covering pesticide residues, food quality, environmental policy including recycling, or consumer health safety, where State standards are more stringent than federal or international standards.

Whether so-called "unitary taxation," which assesses the State taxes corporations pay on the basis of a corporation's worldwide operations, be illegal under GATT.

Whether States may maintain public procurement laws that favor in-State business in bidding for public contracts.

How well protected is a State law if it is included within the coverage of U.S. reservations to the new GATT agreements.

Whether the United States can import some due process guarantees into the WTO dispute resolution system, now that the negotiations are over, the WTO panel proceedings remain closed and documents confidential.

In responding to our request for this GATT Summit, please have staff contact Christine T. Milliken, Executive Director and General Counsel of the National Association of Attorneys General, at (202) 434-8053. Although the Association has taken no formal position on this issue, the Association provides liaison service upon request when fifteen or more Attorneys General express an interest in a key subject.

Further, the Association through action at its recent Summer Meeting has instructed staff to develop in concert with the Office of U.S. Trade Representative an ongoing mechanism for consultation. The Association participates in several federal-state work groups, principally with the U.S. Department of Justice and also with the U.S. Environmental Protection Agency that might serve as a starting point for developing a model for an effective ongoing dialogue with the USTR on emerging issues in this key area.

Respectfully yours,
MICHAEL E. CARPENTER,
Attorney General of Maine.

The following attorneys general signed the letter:

Alabama: Jimmy Evans; Alaska: Bruce M. Botelho; Arizona: Grant Woods; Colorado: Gale A. Norton; Connecticut: Richard Blumenthal; Delaware: Charles M. Oberly, III; Florida: Robert A. Butterworth; Hawaii: Robert A. Marks; Idaho: Larry EchoHawk; Illinois: Roland W. Burris; Indiana: Pamela Fanning Carter; Iowa: Bonnie J. Campbell; Kansas: Robert T. Stephan; Kentucky: Chris Gorman; Maine: Michael Carpenter; Maryland: J. Joseph Curran, Jr.; Massachusetts: Scott Harshbarger; Michigan: Frank J. Kelley; Minnesota: Hubert H. Humphrey, III; Mississippi: Mike Moore; Missouri: Jeremiah W. Nixon; Montana: Joseph F. Mazurek; Nevada: Frankie Sue Del Papa; New Hampshire: Jeffrey R. Howard; New Jersey: Deborah T. Poritz; New Mexico: Tom Udall; New York: G. Oliver Koppell; North Carolina: Michael F. Easley; North Dakota: Heidi Heitkamp; Northern Mariana Islands: Richard Weil; Ohio: Lee Fisher; Oregon: Theodore R. Kulongoski; Pennsylvania: Ernest D. Preate, Jr.; Puerto Rico: Pedro R. Pierluisi; Rhode Island: Jeffrey B. Pine; South Carolina: T. Travis Medlock; Tennessee: Charles W. Burson; Texas: Dan Morales; Utah: Jan Graham; Vermont: Jeffrey L. Amestoy; Virginia: James S. Gilmore, III; Washington: Christine O. Gregoire; West Virginia: Darrell V. McGraw, Jr.; Wyoming: Joseph B. Meyer.

Mr. PRESSLER. Will my friend yield for a friendly question?

Mr. HELMS. Mr. President, I thought he was friendly—he being the distinguished Senator from Vermont. As I said to the Senator from Vermont, I have no animus against him at all. He and I have been friends ever since he came to the Senate, and certainly the Senator is my friend.

Mr. PRESSLER. Would it not be true that this should be a treaty based on the criterion that has been established? There was a report by the Senate Foreign Relations Committee on when a treaty is a treaty, and is it not true that they outline four points: That the parties intend the agreement to be legally binding, subject to international law, deal with significant matters, as this agreement does, and it specifically describes the legal obligations of the parties, and the form indicates that intention to include a party on the substance rather than forms of the governing factor. Furthermore, to conclude my question, the Senate Finance Committee debated this in 1947.

Mr. HELMS. Exactly.

Mr. PRESSLER. The chairman was Eugene D. Milliken. Perhaps my friend knew him. I am not asking anything about his age here, merely a question. The Finance Committee suggested the following test be determined: Whether a treaty should be submitted to the Senate for a two-thirds approval.

Is it not true that they state the proper distinction is when we go beyond conventional marks, duties, customs, and management of foreign trade commerce, the point where the proper field of treaty comes in, whenever you come to the matter where there is substantial disparagements of our sovereignty, to a matter where sanctions may be imposed against the United States, exactly what this does, by an international body, then you have entered the field for treaties; is that not

true that the Finance Committee and Foreign Relations Committee both had such findings?

Mr. HELMS. The Senator is exactly right. He anticipated a point I was going to make later, which I will not make because he has made it so eloquently.

But the real point is that I have an aversion to the fast track in general, because I think it complicates the life of any Senator who really wants to perform adequately and completely in defense of the principles of this country. I do not say that anybody connected with WTO, or anybody who supports it, is not in favor of protecting the sovereignty of this country. But this fast track, which somebody sort of ingeniously fabricated in recent years, does not permit the Senate to study a treaty to the complete satisfaction of every Senator. This business of saying we are going to discuss it fully is just absolutely nonsense. We are allocated 20 hours, which is stipulated by the fast track rules.

Mr. President, State tax officials wrote a letter that states the following:

> We are deeply concerned about the power over state and local taxes that the new General Agreement of Tariffs and Trade [GATT] will give the World Trade Organization [WTO]. Our analysis reveals that these provisions will undermine state and local fiscal sovereignty and likely favor business over U.S. taxpayers.
>
> We have no objections to those provisions of the GATT designed to encourage trade. However, the WTO provisions applicable to State and local taxes exceed legitimate trade concerns. They are likely to have unintended, but significant, consequences for State sovereignty and federalism.

Furthermore, the Federation of Tax Administrators and the Multistate Tax Commission prepared a report that talked about the GATT case that Canada brought challenging dozens of State beer tax laws. The report concluded:

> The Beer II panel struck at the very heart of federalism. The panel's reasoning leaves no room for different laws based on different local circumstances, nor for any range of judgment, regardless of absence of any discriminatory intent in those judgments, to be exercised by different State sovereigns. Indeed, the combination of the least restrictive measure standard and the acceptance of de facto arguments leaves all State law potentially at risk of being subject to challenge under the aegis of GATT.

Mr. President, the concerns of 42 State attorneys general and the tax administrators are very legitimate. Dozens or perhaps hundreds of State laws could be attacked by foreign countries. As a matter of fact, the European Union issued a book entitled "Report on United States Barriers to Trade and Investment." This report contains 111 pages of Federal and State laws that the EU claims are barriers and that the Europeans may challenge in the WTO.

Mr. President, some claim that there is no sovereignty problem because the United States can ignore a bad decision and not change our law. What kind of reasoning is that? Our sovereignty, it seems to me, is affected when the courses of action that the United States can take are restricted.

The fact is, the United States will face serious consequences if we ignore a WTO decision. If we refuse to change our law, then we will face trade retaliation from the winning country. Relations is a nice word for a trade war. The only other alternative is to settle the case by paying the winner some kind of compensation—like money—which comes from the taxpayers' pockets.

Mr. President, the concern is real: The United States has lost several GATT cases—the beer case, the tuna dolphin case to name a couple. The administration is trying to change the beer tax laws in the implementing bill. And the United States is about to lose another one—the Germans have challenged our gas guzzler tax and our CAFE laws. The retaliation in these two alone could be in the hundreds of millions of dollars.

Let me read a few quotes from several news articles that are quite revealing:

From the BNA Report—March 28, 1994:

> A GATT panel ruled in 1989 that section 337 discriminates unfairly against foreign imports. A GATT panel ruling in 1992, initiated by Canada, found that the United States was imposing unfair excise taxes on imports of Canadian beer. The administration plans to implement two panel rulings of the GATT.

From the Wall Street Journal—March 18, 1994:

> The Clinton administration is preparing to withdraw a clean-air regulation challenged by Venezuela under the GATT. Officials concluded at a White House meeting this week that the regulation would have to be withdrawn and modified because in its present form it was likely to violate GATT.

From the Journal of Commerce—March 11, 1994:

> Two rulings expected soon from the trade-monitoring General Agreement on Tariffs and Trade could require changes in the U.S. environmental law GATT members are challenging aspects of U.S. fuel economy standards that some argue are tougher for foreign manufacturers.

Mr. President, how many U.S. laws could be challenged? If we want to maintain U.S. laws that the WTO finds are illegal, will we face a trade war? How much money will the United States have to pay to settle a case to avoid a trade war? Are we prepared to pass those costs along to the American taxpayer?

Mr. President, these are just a few examples of issues that merit serious and thoughtful debate. I urge the Congress to support this resolution that calls for a 60-day delay. Forty-two State attorneys general want more time. And the Congress should take time to hold more hearings on this serious subject.

Well, Mr. President, I have occupied the floor longer than I intended. Senator PRESSLER is here.

I thank the Chair for recognizing me, and I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise in animated opposition to this measure. It would be such a departure from our procedures and such a loss to the Nation that it is difficult to imagine that we are even debating it now.

Yesterday, Mr. President, I came to the floor as chairman of the Committee on Finance, which is the committee that will be principally occupied with the question of the Uruguay round. But the Committee on Agriculture will have real responsibilities, and they will be part of the final legislation. And I sent a message—as I hoped to do—to the administration saying two things: No. 1, we were disturbed to read in the Wall Street Journal on Friday that White House aides were not sure the Congress would get to the Uruguay round implementing legislation in this Congress, which is exactly the opposite of our intention. And that Friday story appeared 1 day after we sent notice to each member of the Finance Committee that next Tuesday, July 19, we would begin marking up the implementing legislation.

We have been hard at work for the better part of a year. The Uruguay round was finally approved in December of last year, and initialed in Marrakesh in April. We have been steadily at work on this matter, under the fast track procedures that were specifically approved, overwhelmingly approved, in the Senate for the specific purpose of giving President Clinton the authority to finish up the negotiation, which was done. That negotiation took 7 years. It was the initiative in the first place of President Reagan; President Bush pursued it, and President Clinton was on hand at the conclusion. But it is a wholly bipartisan measure. And I said yesterday, and will repeat, that it marks the culmination of 60 years of American trade policy.

From the time that Cordell Hull, Secretary of State under President Roosevelt, began the reciprocal trade agreements, trying—too late, as it happened—to bring the world back from the closed trading system that was precipitated by the Smoot-Hawley tariff of 1930. In the course of about 3 years, world trade dropped 60 percent, depression deepened everywhere, totalitarian regimes came to power in Europe, the expansionist Japanese "Co-Prosperity Sphere" began in the Far East, the British Commonwealth moved away from free trade and went to a Commonwealth preference, unemployment reached 25 percent in our country—well, it was too late to prevent the Second World War that followed in the wake of these events.

Smoot-Hawley was not the only event that led to that war, but a profoundly important event.

In the aftermath of the war, our Government thought to create a series of international economic organizations that would learn the lessons of the 1930's. We would learn about currencies and exchange rates, and so we created the International Monetary Fund. We would learn about the movement of capital, and we would create the International Bank for Reconstruction and Development, now known as the World Bank; and we would learn from the disaster of beggar-thy-neighbor trade policies of the 1930's, the disaster which began on this floor, sir, and would create an international trade organization.

The World Bank was put in place, and the Monetary Fund was put in place. The International Trade Organization was not. It died in the Senate Finance Committee. But a temporary arrangement, the General Agreement on Tariffs and Trade, was worked out in Geneva. As I remarked yesterday, I can recall from the negotiations of the Long-Term Cotton and Textile Agreement of 1962, when the GATT consisted of Eric Wyndham White, former British treasury official and civil servant, and a few secretaries in a small villa looking over the city of Geneva.

(Mr. ROBB assumed the chair.)

Mr. MOYNIHAN. But now after 7 years of negotiations, we have produced a world agreement with 117 nations which eliminates tariffs by about a third across the world, contemplates the end of agricultural subsidies such that American farm exports can have the place to which they economically are entitled in world trade, ensures intellectual property rights in developing nations, and does an extraordinary range of other things. It is a 22,000-page agreement, if you include the country schedules.

It creates a World Trade Organization, basically the same mechanism that was anticipated back in 1945 and 1946. It is, as the GATT is, a forum in which trade issues are worked out, new agreements are reached, as was the Uruguay round, an agreement under the GATT. The next such world agreement will be under the World Trade Organization. And there is a dispute settlement mechanism.

People who trade together will have disputes, and they have an interest in arranging for their resolution.

As to the United States and Canada, my friend from North Carolina was mentioning that. When we had the United States-Canadian Free-Trade Agreement, we put in a dispute settlement arrangement. It did not threaten the sovereignty of Canada; it did not threaten the sovereignty of the United States. It just means that we get these things settled. Sometimes the cases will go against you, and sometimes they will go for you. That is the way trade is. There are many, many issues involved.

In no sense does this new organization contemplate changing American domestic law.

I have a letter here from the distinguished jurist, Robert H. Bork, who wrote to Ambassador Kantor on May 26 saying that it is impossible to see a threat to this Nation's sovereignty posed by either the World Trade Organization or the dispute settlement arrangement.

I ask unanimous consent that this letter be printed in the RECORD.

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

ROBERT H. BORK,
Washington, DC, May 26, 1994.

Ambassador MICHAEL KANTOR,
Office of the U.S. Trade Representative, Washington, DC.,

DEAR MR. AMBASSADOR: I understand that opposition to the Uruguay Round agreements has focused on the creation of the World Trade Organization [WTO]. The claim, which was also made with respect to NAFTA, is that the WTO is a threat to the sovereignty of the United States.

It is difficult to resist the conclusion that some of those who make this claim are actually opposed to the lowering of tariff and non-tariff barriers in international trade. The protectionist impulse is strong but it is contrary to the best interests of American business, workers, and consumers.

The sovereignty issue, in particular, is merely a scarecrow. Under our constitutional system, no treaty or international agreement can bind the United States if it does not wish to be bound. Congress may at any time override such an agreement or any provision of it by statute. (The President would, or course, participate as the Constitution provides in the enactment of such a statute.) Congress should be reluctant to renege on an agreement except in serious cases, but that is a matter of international comity and not a loss of sovereignty.

The same observations apply to the Dispute Settlement Understanding [DSU]. A mechanism for settling trade disputes is essential if the aims of the Uruguay Round agreements are to be achieved. It is extremely unlikely that any country will agree with all recommendations as to the resolution of the disputes in which it is involved. There is no dispute resolution process anywhere that can achieve that result. Once again, however, recommendations made under the DSU do not bind Congress and the Executive Branch unless those departments of government choose to be bound.

Protection of U.S. sovereignty, however, does not depend solely on the undoubted ability of our political branches to nullify or modify agreements or recommendations. The WTO itself contains numerous safeguards concerning procedures which protect not only the sovereignty but the interests of all nations, including the United States. It appears that these safeguards are either the same as or stronger than those already existing in the GATT, under which we have operated successfully for decades.

In sum, it is impossible to see a threat to this nation's sovereignty posed by either the WTO or the DSU. Any agreement liberalizing international trade would necessarily contain mechanisms similar to those in the Uruguay Round agreements. The claim that such mechanisms are a danger to U.S. sovereignty is not merely wrong but would, if accepted, doom all prospects for freer trade achieved by multi-national agreement.

Yours truly,

ROBERT H. BORK.

Mr. MOYNIHAN. Mr. President, to continue what I was saying yesterday, the Finance Committee, having worked on this for the better part of a year, next Tuesday, if we get a signal from the President and get from the President the financing mechanism which he proposes, we will proceed to draft legislation. They will do the same or are doing the same on the House side. We will work our bills together.

Then, under this arrangement we have worked out, having in mind that disaster of 1930, we will transmit to the President this legislation which he will propose to us as a bill. We will have drafted this legislation. It will be a bipartisan effort in the Finance Committee, and several other committees.

The proposal to give the President an extension of his fast-track negotiating authority passed the Finance Committee a year ago 18 to 2, so the President could go to the G–7 summit in Tokyo, and say we are ready to finish up this negotiation, which was done in about 6 months' time.

This would stop it. This would cost hundreds of thousands of jobs. This could be the kind of decision that we made in the thirties that triggered a world depression and helped trigger a world war.

I am not arguing we are about to do that, but we can break up after the cold war into separate trading blocs. We could do that. There is a whiff of that in the world right now and the realization that, no, do not—a thousand economists wrote President Hoover saying, "Do not sign that Smoot-Hawley tariff." He signed it anyway, and the 1930's commenced, ending with war.

I am not making any such melodramatic proposals, but I am saying this could be the end of the free-trading system that the United States has triumphantly put in place. We have in the Uruguay round the culmination of 60 years of American foreign trade policy that has taken place through Presidents Roosevelt, Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter, Reagan, Bush, and Clinton. This particular measure, I would remind my friends in the Senate, the Uruguay round was initiated by President Reagan, having been given the authority to do so under the fast-track mechanism by the Congress.

President Reagan got going very well indeed. President Bush proceeded. It took 7 years. And then when the time ran out and the newest President in line, in this case Mr. Clinton, needed an extension of fast-track authority, we gave it to him because we want this.

Mr. President, there is an organization put together recently called the Alliance for GATT Now. It represents 200,000 American businesses. It is an astonishing list. Any Member of the Senate would want to look at it to see the firms from his or her own State, to see firms that are in just about every State.

The organization is headed by the distinguished chairman of Texas Instruments, Jerry Junkins with whom I have met and discussed this matter at some length.

I think this organization, if anything, could be said to represent the judgment of the American business community, that this is a job-creating, wealth-creating agreement, a measure that the United States has worked for and now is about to achieve.

I ask unanimous consent that the membership of the Alliance for GATT Now be printed in the RECORD.

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

ALLIANCE FOR GATT NOW MEMBERSHIP

3M (St. Paul, MN).
Abbott Laboratories (North Chicago, IL).
ABI Irrigation, Inc. (Monroeville, PA).
A.C. Products Inc. (Apple Creek, OH).
Access International Markets, Ltd (Milwaukee, WI).
Ace Hardware Corporation (Oak Brook, IL).
Aerospace Industries Association (Washington, DC).
Aetna Life & Casualty Company (Hartford, CT).
Air L.A. (Los Angeles, CA).
Air Products and Chemicals, Inc. (Allentown, PA).
Aire-Mate Inc. (Westfield, IN).
AlliedSignal Inc. (Morristown, NJ).
Almerica Overseas, Inc. (Tuscaloosa, AL).
The Aluminum Association, Inc. (Washington, DC).
AMC Entertainment Int'l (Kansas City, MO).
America's Voice Communications (Studio City, CA).
American Assoc. of Exporters & Importers, (New York, NY).
American Brands, Inc. (Greenwich. CT).
American Business Conference (Washington, DC).
American Cyanamid Company (Wayne, NJ).
American Electric Power Company, Inc. (Columbus, OH).
American Electronics Association (Washington, DC).
American Express Company (New York, NY).
American Furniture Manufacturers Association (Washington, DC).
American Home Products Corp, (Madison, NJ).
American Insurance Association (Washington, DC).
American International Group (New York, NY).
American Iron & Steel Institute (Washington, DC).
American Maize Products Co. (Stamford, CT).
American Mining Congress (Washington, DC).
American Petroleum Institute (Washington, DC).
American President Companies (Oakland, CA).
American Standard (New York, NY).
Ameritech (Chicago, IL).
Amoco Corporation (Chicago, IL).
AMP Incorporated (Harrisburg, PA).
Ampacey International (Tarrytown, NY).
AMR Corporation (Dallas, TX).
Anheuser-Busch Companies (St. Louis, MO).
Antelope Valley Board of Trade (Lancaster, CA).
APAN Corporation (Owings Mills, MD).
Applause, Inc. (Woodland Hills, CA).
ARCO (Los Angeles, CA).
Argyle Atlantic Corporation (Phoenix, AZ).
Armstrong World Industries (Lancaster, PA).
Arthur Andersen & Co., SC (Chicago, IL).
Arvin Industries Inc. (Columbus, IN).
ASARCO, Inc. (New York, NY).
Asea Brown Boveri, Inc. (Stamford, CT).
Ashland Oil, Inc. (Ashland, KY).
Associated Merchandising Corp. (Washington, DC).
Association of American Railroads (Washington, DC).
Association of International Automobile Manufacturers (Arlington, VA).
AT&T (Basking Ridge, NJ).
A.T.C.I. (Richardson, TX).
Atlanta Customs Brokers (Atlanta, GA).
Avon Products, Inc. (New York, NY).
Azimex International (Greenwood Lake, NY).
Azon USA Inc. (Kalamazoo, MI).
Baker Hughes Inc. (Houston, TX).
Baldor Electric Company (Fort Smith, AR).
Bane One Corp. (Columbus, OH).
Bankers Trust Corp. (New York, NY).
Baxter International Inc. (Deerfield, IL).
Bechtel Group Inc. (San Francisco, CA).
Beehive Botanicals (Hayword, WI).
Bell Atlantic (Philadelphia, PA).
BellSouth Corporation (Atlanta, GA).
Bethlehem Steel Corporation (Bethlehem, PA).
BFC Industries (Bremen, IN).
BFGoodrich Company (Akron, OH).
The Black & Decker Corporation (Towson, MD).
BMC Specialties (Columbia, SC).
The Boeing Company (Seattle, WA).
Booth & Associates (Scottsdale, AZ).
BP America (Cleveland, OH).
Bridgestone/Firestone, Inc. (Nashville, TN).
Bristol-Myers Squibb Co. (New York, NY).
Browning-Ferris Industries (Houston, TX).
Bruce Foods Corporation (New Iberia, LA).
Burlington Northern International Services, Inc. (Fort Worth, TX).
The Business Roundtable (Washington, DC).
BW/IP International, Inc. (Long Beach, CA).
Cable & Wireless, Inc. (Vienna, VA).
California Chamber of Commerce (Sacramento, CA).
California Council for International Trade (San Francisco, CA).
Campbell Soup Company (Camden, NJ).
Capital Cities/ABC (New York, NY).
Cargill (Minneapolis, MN).
Carolina Power & Light Company (Raleigh, NC).
Carolyn Warner and Associates (Phoenix, AZ).
CASAS International Brokerage (San Diego, CA).
Cascade Corporation (Portland, OR).
Case Logic, Inc. (Longmont, CO).
Caterpillar, Inc. (Peoria, IL).
Cemex/Sunwest Materials (Washington, DC).
Ceridian Corporation (Minneapolis, MN).
Cezadon Group, Inc. (Indianapolis, IN).
Chase Manhattan Bank (New York, NY).
Chemical Banking Corporation (New York, NY).
Chemical Manufacturers Association (Washington, DC).
Chevron Corporation (San Fransisco, CA).
The Chubb Corp. (Warren, NJ).
CIGNA Corporation (Philadelphia, PA).
Cintron Lehner Barrett, Inc. (Dallas, TX).
Circuit City Stores, Inc. (Richmond, VA).
Citicorp/Citibank (New York, NY).
Citizens for a Sound Economy (Washington, DC).
Clarklift of San Diego, Inc. (San Diego, CA).
Cleveland-Cliffs Inc. (Cleveland, OH).
Clorox Company (Oakland, CA).
Coalition for Open Markets & Expanded Trade (Washington, DC).
Coalition of New England Companies for Trade (Washington, DC).
Coalition of Service Industries (Washington, DC).
The Coca-Cola Company (Atlanta, GA).
Coergon, Inc. (Boulder, CO).
Colgate-Palmolive Company (New York, NY).
The Columbia Gas System, Inc. (Wilmington, DE).
Columbia Healthcare Corp.
Committee for Economic Development (Washington, DC).
Committee on Pipe and Tube Imports (Washington, DC).
Computer & Business Equipment manufacturers Association (Washington, DC).
Computer & Communications Industry Association (Washington, DC).
ConAgra (Omaha, NE).
Connell Company (Westfield, NJ).
Consumers for World Trade (Washington, DC).
Cooper Industries (Houston, TX).
Copper & Brass Fabricators Council, Inc. (Washington, DC).
Corn Refiners Association, Inc. (Washington, DC).
Corning Incorporated (Corning, NY).
Corpus International (Ellicott City, MD).
Cosmopolitan Business Comm., Inc. (Arvada, CO).
CPC International, Inc. (Englewood Cliffs, NJ).
Crane Cams, Inc. (Daytona Beach, FL).
Creed Rice Company, Inc. (Houston, TX).
CSX Corporation (Richmond, VA).
Cummins Engine Co., Inc. (Columbus, IN).
Curtis Dyna-Fog Ltd. (Westfield, IN).
Custom Duplication (Inglewood, CO).
Customs Consultants (No. Tonawanda, NY).
Daimler-Benz Washington (Washington, DC).
Dana Corporation (Toledo, OH).
Data General Corp. (Westboro, MA).
Davis, Keller & Davis (Langley, WA).
Dayton Hudson Corporation (Minneapolis, MN).
Deere & Company (Moline, IL).
Delta Air Lines, Inc. (Atlanta, GA).
Denver Business & Economics Council (Denver, CO).
Detroit Diesel Corporation (Detroit, MI).
The Dial Corporation (Phoenix, AZ).
Digital Equipment Corporation (Maynard, MA).
Distilled Spirits Council of the U.S. (Washington, DC).
Dodge-Reupol, Inc. (Lancaster, PA).

R.R. Donnelley & Sons Company (Chicago, IL).
Dormont Mfg. Co. (Export, PA).
Dow Chemical Company (Midland, MI).
DPL Inc. (Dayton, OH).
Dresser Industries (Dallas, TX).
Drexel Chemical Company (Memphis, TN).
E.J. Du Pont de Nemours & Co., Inc. (Wilmington, DE).
The Dun & Bradstreet Corp. (New York, NY).
Duracell International (Bethel, CT).
E'Lan International, Inc. (Newport Beach, CA).
Eastman Chemical Company (Kingsport, TN).
Eastman Kodak Co. (Rochester, NY).
Eaton Corporation (Cleveland, OH).
EBCO Manufacturing Company (Columbus, OH).
EBW, Inc. (Muskegon, MI).
Ecology International Ltd., Corp. (Akron, OH).
Economic Development Consortium (Georgetown, SC).
Ed Garber Associates (Los Angeles, CA).
EDS Corporation (Washington, DC).
Electronic Industries Association (Washington, DC).
Eli Lilly and Company (Indianapolis, IN).
Emergency Committee for American Trade (Washington, DC).
Emerson Electric Company (St. Louis, MO).
Engle-Hambright & Davies, Inc. (Lancaster, PA).
Enron Corporation (Houston, TX).
Equipment Manufacturers Institute (Chicago, IL).
The Equitable Companies Inc. (New York, NY).
Ernst & Young (New York, NY).
Eubanks Engineering Co. (Monrovia, CA).
Exxon Corporation (Irving, TX).
Fairfield Chair Company (Lenoir, NC).
Fairmount Minerals, Limited (Chardon, OH).
Faison-Stone, Inc. (Irving, TX).
Federal Express Corporation (Memphis, TN).
Filter Specialists, Inc. (Michigan City, IN).
First Brands Corporation (Danbury, CT).
Fluor Corporation (Irvine, CA).
FMC Corporation (Chicago, IL).
Food Marketing Institute (Washington, DC).
Ford New Holland, Inc. (New Holland, PA).
Gannett Co., Inc. (Arlington, VA).
GenCorp Inc. (Fairlawn, OH).
General Electric Co. (Fairfield, CT).
General Mills, Inc. (Minneapolis, MN).
General Motors Corporation (Detroit, MI).
General Tire, Inc. (Akron, OH).
George Koch Sons, Inc. (Evansville, IN).
Georgia Ports Authority.
Gilbert & VanCampen Int'l (New York, NY).
The Gillette Company (Boston, MA).
Global Export & Import (Reseda, CA).
Global Manufacturing, Inc. (Little Rock, AR).
Global Overseas Services, Inc. (Houston, TX).
The Goodyear Tire & Rubber Co. (Akron, OH).
Grant Thornton (Los Angeles, CA).
Great West International, Inc. (Englewood, CO).
Greater Dallas Chamber of Commerce (Dallas, TX).
Greater Houston Partnership (Houston, TX).
Greater Miami Chamber of Commerce (Miami, FL).
Greater San Diego Chamber of Commerce (San Diego, CA).
Grocery Manufacturers Association (Washington, DC).
Groth Corporation (Houston, TX).
Grupo Cisneros International (Lakewood, CO).
GTE Corporation (Stamford, CT).
Halliburton Co. (Dallas, TX).
Hallmark Cards, Inc. (Kansas City, MO).
Harris Associates/The Oatmark Funds (Chicago, IL).
Harris Corporation (Melbourne, FL).
Hasbro Inc. (Pawtucket, RI).
Health Industry Manufacturers Association (HIMA) (Washington, DC).
Henry Vogt Machine Company (Louisville, KY).
Hercules Incorporated (Wilmington, DE).
Hershey Foods Corporation (Hershey, PA).
Heublein, Inc. (Washington, DC).
Heukel Corporation (Ambler, PA).
Hewlett-Packard Company (Palo Alto, CA).
HHS Export Trading Company (Alhambra, CA).
Hidden Creek Industries (Troy, MI).
Honeywell Inc. (Minneapolis, MN).
Horix MFG. Co. (Pittsburgh, PA).
Household International (Prospect Heights, IL).
Hufcor, Inc. (Janesville, WI).
IBM Corp. (Armonk, NY).
IKR Corporation (Houston, TX).
Illinois Corn Growers Assoc. (Bloomington, IL).
Illinois Department of Agriculture (Springfield, IL).
Illinois Tool Works (Glenview, IL).
IMCERA Group, Inc. (Northbrook, IL).
Importmex (Baltimore, MD).
Indiana Chamber of Commerce (Indianapolis, IN).
Information Technology Association of America (Arlington, VA).
Ingersoll-Rand Company (Woodcliffe Lakes, NJ).
Inland Empire International Business Association (Moreno Valley, CA).
InouMar Products, Inc. (Houston, TX).
Intel Corporation (Santa Clara, CA).
Intellectual Property Committee (Washington, DC).
Intellectual Property Owners Association (Washington, DC).
International Association of Drilling Contractors (Washington, DC).
International Business Consultants (Lakewood, CO).
International Business Services I.B.S. (Chicago, IL).
International Insurance Council (Washington, DC).
International Mass Retail Association (Washington, DC).
International Paper Company (New York, NY).
International Public Relations Affiliates (Long Beach, CA).
International Services, USA (Austin, TX).
International Trade Advisor (Berwyn, PA).
Interpro, Inc. (Phoenix, AZ).
Inverness Corp. (Fairlawn, NJ).
ITT Corporation (New York, NY).
J.C. Penney Company, Inc. (Dallas, TX).
J.L. Marketing, Inc. (Fenton, MO).
J.R. Simplot Company (Boise, ID).
Johnson & Johnson (New Brunswick, NJ).
Johnson Controls, Inc. (Milwaukee, WI).
Johnson Matthet, Incorporated (Wayne, PA).
Joseph A. McKinney Consulting (Waco, TX).
Joseph E. Seagram & Sons, Inc. (New York, NY).
KMart Corporation (Troy, MI).
Kellogg Company (Battle Creek, MI).
Kentucky World Trade Center (Lexington, KY).
Kerr-McGee Corporation (Oklahoma City, OK).
KPMG Peat Marwick (New York, NY).
The Kroger Company (Cincinnati, TX).
Latin American Consulting, Inc. (Kent, WA).
Lectro Engineering Co. (St. Louis, MO).
Leeward, Inc. (Dallas, TX).
Levi Strauss Associates (San Francisco, CA).
LFP Capital (Los Angeles, CA).
The Limited, Inc. (Columbus, OH).
Lindsay International Corp. (Houston, TX).
Litton Industries, Inc. (Beverly Hills, CA).
Long Island Foreign Trade Zone Authority (Ronkonkoma, NY).
The LTV Corporation (Cleveland, OH).
M.G. Maher & Company, Inc. (New Orleans, LA).
Made In Mexico, Inc. (Chula Vista, CA).
Malichi Diversified, Ltd. (Indianapolis, IN).
Manitowoc Company, Inc. (Manitowoc, WI).
Marketeck International (Tampa, FL).
Marriott Corporation (Bethesda, MD).
Marsh & McLennan Companies (New York, NY).
Marsheider & Company (Cincinnati, OH).
Martin K. Eby Construction Co. (Wichita, KS).
Martin Marietta Corporation (Bethesda, MD).
Maryland Department of Agriculture (Annapolis, MD).
Master Chemical Corporation (Perrysburg, OH).
Mattel Toys (El Segundo, CA).
Maytag Corporation (Newton, IA).
McDermott International Inc. (New Orleans, LA).
McDonnell Douglas Corporation (St. Louis, MO).
McDowell Services Company (Cleveland, OH).
McGraw-Hill, Inc. (New York, NY).
MCI (Washington, DC).
McKesson Corporation (San Francisco, CA).
Melton Truck Lines, Inc. (Tulsa, OK).
Merck & Co., Inc. (Whitehouse Station, NJ).
Merrill Lynch & Co., Inc. (New York, NY).
Metallia (Washington, DC).
Metropolitan Life Insurance Co. (New York, NY).
Miami Valley Marketing Group, Inc. (Dayton, OH).
Michigan Manufacturers Association (Lansing, MI).
Microfax, Inc. (Arvada, CO).
Mid-America World Trade Center (Wichita, KS).
Migrandy Corp. (Merritt Island, FL).
Miles, Inc. (Pittsburgh, PA).
Milwaukee Heart, S.C. (Milwaukee, WI).
Milwaukee Minority Chamber of Commerce (Milwaukee, WI).
Mobil Corporation (Fairfax, VA).
Mobile Area Chamber of Commerce (Mobile, AL).
Monsanto Company (St. Louis, MO).
J.P. Morgan & Company, Inc. (New York, NY).
Morgan Stanley & Company, Inc. (New York, NY).
Morrison Knudsen Corp. (Boise, ID).
Mosler Inc. (Hamilton, OH).
Motor & Equipment Manufacturers Association (Washington, DC).
Motorola (Schaumburg, IL).

MSI United Ltd. (Seattle, WA).
N. Merfish Supply Co. (Houston, TX).
Nalco Chemical Company (Naperville, IL).
National Apparel & Textile Association (Seattle, WA).
National Association of Beverage Importers, Inc. (Washington, DC).
National Assoc. of Hosiery Manufacturers (Charlotte, NC).
National Association of Insurance Brokers (Washington, DC).
National Association of Manufacturers (Washington, DC).
National Business Products (Ste. Genevieve, MO).
National Electrical Manufacturers Association (Washington, DC).
National Foreign Trade Council (Washington, DC).
National Grain and Feed Association (Washington, DC).
National Intergroup, Inc. (Pittsburgh, PA).
National Retail Federation (Washington, DC).
National Semiconductor Corp. (Santa Clara, CA).
NationsBank (Charlotte, NC).
New England/Canada Business Council (Boston, MA).
New York Life Insurance Co. (New York, NY).
NIKE, Inc. (Beaverton, OR).
NOR-AM Chemical Company (Wilmington, DE).
Norfolk Southern Corporation (Norfolk, VA).
North American Chemicals, L.C. (Houston, TX).
Nuffer, Smith, Tuder, Inc. (San Diego, CA).
NYNEX (New York, NY).
Occidental Petroleum Corp. (Los Angeles, CA).
Ohio Machinery Co. (Broadview Heights, OH).
Olin Corporation (Stamford, CT).
Oliver Rubber Company (Oakland, CA).
Organization for International Investment (Washington, DC).
Orion Corporate Funding, Inc. (Englewood, CO).
Ortho-Kinetics, Inc. (Waukesha, WI).
Owens-Corning Corp. (Toledo, OH).
Paccar Inc. (Bellevue, WA).
Pacific Enterprises (Los Angeles, CA).
Pacific Northwest International Trade Association (Portland, OR).
Pacific Telesis Group (San Francisco, CA).
Palocor Corporation (Dallas, TX).
The Paz Group (Carrollton, TX).
Pearson's Inc. (Thedford, NE).
Peavey Electronics Corp. (Meridian, MS).
Pennzoil (Houston, TX).
Pensacola Area Chamber of Commerce (Pensacola, FL).
PepsiCo (Purchase, NY).
The Perkin-Elmer Corporation (Norwalk, CT).
Pfizer Inc. (New York, NY).
Pharmaceutical Manuf. Assn. (Washington, DC).
Pharr Chamber of Commerce (Pharr, TX).
Phelps Dodge Corporation (Phoenix, AZ).
PHH Corporation (Hunt Valley, MD).
Philip Morris Companies Inc. (New York, NY).
Pina County Board of Supervisors (Tucson, AZ).
Port of New Orleans (New Orleans, LA).
Port of Oakland (Oakland, CA).
Potomac Electric Power Co. (Washington, DC).
PPG Industries, Inc. (Pittsburgh, PA).
Praxair, Inc. (Danbury, PA).
Precision Machine & Engineering (Phoenix, AZ).
Premark International, Inc. (Deerfield, IL).
Price Waterhouse (New York, NY).
Prince Mfg. Corporation (Sioux City, IA).
Principal Financial Group (Des Moines, IA).
The Procter & Gamble Company (Cincinnati, OH).
Professional Machine and Tool (Wichita, KS).
The Promus Companies (Memphis, TN).
The Prudential Insurance Company of America (Newark, NJ).
PSI Resources (Plainfield, IN).
Puratil, Inc. (Doraville, GA).
Quaker Fabric Corporation (Fall River, MA).
The Quaker Oats Company (Chicago, IL).
Raytheon Company (Lexington, MA).
Reader's Digest Association (Pleasantville, NY).
Reckitt & Coleman, Inc. (Wayne, NJ).
Red Devil Incorporated (Union, NJ).
Rendo Company (Fresno, CA).
Riverwood International Corp. (Washington, DC).
Roadway Services, Inc. (Akron, OH).
J.D. Robinson, Inc. (New York, NY).
Rockwell International Corp. (Seal Beach, CA).
Rohm and Haas Company (Philadelphia, PA).
Rome Area Chamber of Commerce (Rome, NY).
Rotunda, Inc. (Columbus, OH).
Royal Appliance Mfg. Co. (Cleveland, OH).
Ryder System, Inc. (Miami, FL).
Saint-Gobain Corporation (Valley Forge, PA).
San Diego Economic Development Corp. (San Diego, CA).
SaniServ (Indianapolis, IN).
Santa Fe Pacific Corp. (Schaumburg, IL).
Sara Lee Corporation (Chicago, IL).
Sayett Group, Inc. (Pittsford, NY).
Schering-Plough Corporation (Madison, NJ).
Sears, Roebuck and Co. (Chicago, IL).
Semiconductor Industry Association (San Jose, CA).
Shell Oil Company (Houston, TX).
SIFCO Industries (Cleveland, OH).
A.O. Smith Corporation (Milwaukee, WI).
Society of the Plastics Industry, Inc. (Washington, DC).
Solomon Brothers (New York, NY).
Southern California Edison Co. (Rosemead, CA).
The Southern Company (Atlanta, GA).
Southern States Cooperative (Richmond, VA).
Spalding & Eventlo Co., Inc. (Tampa, FL).
Springs Industries (Fort Mill, SC).
Sprint Corporation (Shawnee Mission, KS).
St Publications Inc. (Cincinnati, OH).
Stafford & Paulsworth (Blue Bell, PA).
State Farm Insurance Companies (Bloomington, IL).
Sun Microsystems (Mountain View, CA).
Sundstrand Corporation (Rockford, IL).
SunWest Foods, Inc. (Davis, CA).
SuperValu (Minneapolis, MN).
Syracuse University School of Management (Syracuse, NY).
Tacoma-Pierce County Chamber of Commerce (Tacoma, WA).
Telect Inc. (Liberty Lake, WA).
Tenneco Inc. (Houston, TX).
Texas Instruments (Dallas, TX).
Textron, Inc. (Providence, RI).
Thomas International Publishing Co., Inc. (New York, NY).
The Times Mirror Company (Los Angeles, CA).
TLC Beatrice Inter. Holdings (New York, NY).
Tomlinson Industries (Cleveland, OH).
Toner Service Co., Inc. (St. Louis, MO).
Toy Manufacturers of America, Inc. (New York, NY).
The Travelers Corporation (Hartford, CT).
TRW Inc. (Cleveland, OH).
Tubacero International Corporation (Houston, TX).
TURCK Inc. (Plymouth, MN).
Tyco International Ltd. (Exeter, NH).
U.S. Chamber of Commerce (Washington, DC).
U.S. Council for International Business (Washington, DC).
UAL Corporation (Chicago, IL).
Union Camp Corporation (Wayne, NJ).
Union Carbide Corporation (Danbury, CT).
Union Pacific Corp. (Bethlehem, PA).
Unisys Corp. (Blue Bell, PA).
United Distillers (Stamford, CT).
United Parcel Service (UPS) (Atlanta, GA).
United States Surgical Corporation (Norwalk, CT).
United Technologies Corporation (Hartford, CT).
Unitog Co. (Kansas City, MO).
Universal Metals & Mach., Inc. (Houston, TX).
Unocal Corporation (Los Angeles, CA).
UNUM Corp. (Portland, ME).
The Upjohn Company (Kalamazoo, MI).
Utilx Corporation (Kent, WA).
Valve Manufacturers Association (Washington, DC).
Viasoft Inc. (Phoenix, AZ).
VME North America (Asheville, NC).
VSI Catalog Communications International (Riverside, CA).
Vulcan Industries, Inc. (Missouri Valley, IA).
Warnaco (New York, NY).
Warner-Lambert Company (Morris Plains, NJ).
Warren and Company (Washington, DC).
Watkins Manufacturing, Inc. (Evendale, OH).
WCI Steel, Inc. (Warren, OH).
Wells Fargo & Company (San Francisco, CA).
Weltron Company (Morgan Hill, CA).
Westinghouse Corp. (Pittsburgh, PA).
Westvaco Corporation (New York, NY).
Wharton Export Network (Philadelphia, PA).
Whirlpool Corp. (St. Joseph, MI).
Wilbur-Ellis Co. (Edenburg, TX).
The Williams Companies, Inc. (Tulsa, OK).
Wimarco International (South Euclid, OH).
Wisconsin Manufacturers & Commerce (Madison, WI).
Witco Corporation (New York, NY).
WMX Technologies (Oak Brook, IL).
Woolworth Corporation (New York, NY).
World Trade Center Portland (Portland, OR).
Xerox Corporation (Stamford, CT).
Yuma Economic Development Corp. (Yuma, AZ).
Zenith Electronics Corp. (Glenview, IL).
Zero Tariff Coalition (Washington, DC).
Zurn Industries (Erie, PA).

Mr. MOYNIHAN. Mr. President, I would like to express my own personal appreciation to Mr. Jerry Junkins of Texas Instruments, who is doing a civic duty, and I think properly so, in heading up the organization.

And so, Mr. President, I would speak to my friend, the manager of the bill, the chairman of the subcommittee, and urge that we do not continue this matter any further. The Committee on Finance, as well as Agriculture and Foreign Relations and others, will take up

this matter. It will come to us. We will have time to debate it on the floor in the manner that we have done in the past.

Mr. President, I ask consent to submit a statement by the chairman of the Committee on Foreign Relations, Senator PELL, a strong opponent of the measure before us, for the RECORD.

Mr. PELL. Mr. President, this amendment raises several issues of concern to the Foreign Relations Committee. First, the amendment suggests that existing procedures under which trade agreements are treated as executive agreements rather than as treaties be changed. It is my view that Congress has been well served by the current practice of considering trade agreements as Executive agreements and placing them in the primary jurisdiction of the Finance Committee.

Second, it raises concern about a potential threat to U.S. sovereignty posed by the World Trade Organization. The committee held an extensive hearing on this subject last month, and I am fully satisfied that the WTO does not present any threat to U.S. sovereignty.

The WTO does not affect Congress' sole right to change U.S. law nor does it create a new powerful international organization. The WTO reaffirms current GATT practice of making decisions by consensus. In the rare instances that the WTO would vote, the voting procedures in the WTO would strengthen the hand of the United States and weaken the power of smaller countries by requiring a higher majority for decisions than is currently required in the GATT. In addition, under the rules of the WTO, any provision or amendment affecting substantive U.S. rights and obligations expressly requires U.S. approval.

I urge my colleagues to defeat the Thurmond amendment.

Mr. MOYNIHAN. Mr. President, I believe that I have made such remarks as I have had in mind. Seeing no one else seeking recognition, I suggest we vote.

Mr. LEAHY. I am perfectly willing to go to a vote on this.

Mr. MOYNIHAN. May I propose that we do?

Mr. LEAHY. I have been advised by some on the other side that Senator THURMOND may wish to speak for another minute or two.

Have the yeas and nays been ordered, Mr. President?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. LEAHY. And if the yeas and nays were ordered, then it would take unanimous consent to either withdraw the amendment or vitiate the yeas and nays?

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. I do not want to dissuade the Senator from South Carolina. I want to talk for a minute or so, but then we will go to a vote, unless I am advised he is about to come back.

Mr. President, I want to thank the distinguished Senator from New York for his comments. The distinguished Senator from New York carries tremendous burdens, not the least of which, of course, is the fact that he is the lead figure in trying to put together a health care package that this country can be able to afford. I know that he has taken time from what was a tremendously busy day on other matters to come over and discuss this.

I hope that Senators will listen to what the Senator from New York said. There will be a place to debate GATT. There is going to be a time to debate implementation language in the committee of the Senator from New York, in the Finance Committee. There will be a chance to debate some aspects of it in the Agriculture Committee, although I would note that, because of a dispute involving our neighbor to the north, we may be delayed in the Agriculture Committee some considerable time before we get to the implementing legislation, only because we are distracted, some of us, not the least of which is the chairman, somewhat distracted by this dispute taking place in Canada and the inability of the administration to focus on aspects of that debate and the inability of the administration to fully comprehend the interests of some producers of commodities in our country and apparently are unaware of the fact that our valued neighbor to the north has taken advantage of the United States. But I am sure that at some point they might get around to noting that.

Canada is nearby. I would invite any of our trade negotiators to come to Vermont with me and I can drive them to Canada, if they would like. It is only about an hour from my own home in Vermont. Once they have had a chance to look at this issue, we could go forward and set a schedule for implementing legislation in the Agriculture Committee. Otherwise, we may have to take the full time allotted to us.

But the distinguished Senator from New York has laid out the reasons why this should not be on this bill, as did the distinguished Senator from Montana, and I hope that I have.

This is an appropriations bill for foreign operations.

Obviously anybody can bring up anything they want, and probably will, but I would suggest that if people are serious about getting this legislation passed with some of the things that a vast majority of Senators support, then they ought to go ahead and do so. If, however, they hope to take out some of the country specific items that we have here, this is as good a way as any to do it.

The distinguished Senator from New York is here and I yield to him.

Mr. MOYNIHAN. I thank the Senator.

Mr. President, I see my friend from South Carolina has come to the floor, so I will be very brief.

Mr. President, I have a message from the President for the Senate. I have just talked to the chief of staff, Mr. Leon Panetta, who is on Air Force One returning from Georgia with the President.

He asked that I say to the Senate, and I say to the distinguished manager of the legislation and to my friend from South Carolina, that the President is absolutely committed to getting the Uruguay round implementing legislation passed this year; that he also made the commitment to our trading partners in the G–7 summit in Naples that this would be done. He very much hopes that he might have the cooperation of this body in this legislation and that this amendment might be withdrawn in the spirit of comity which is so characteristic of the one time President pro tempore, the most distinguished Senator from South Carolina.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont [Mr. LEAHY].

Mr. LEAHY. Mr. President, I am perfectly willing to go to a vote on this amendment. I advise the Senator from South Carolina, I was told he may wish to speak further, so I did not suggest that we go to a vote until he had a chance to come back to the floor.

Mr. THURMOND. I thank the Senator very much. I will speak a little bit further.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina [Mr. THURMOND].

Mr. THURMOND. Mr. President, earlier today, I introduced, along with several of my colleagues a resolution regarding the GATT negotiations. At this time, I would like to expand upon some of my previous remarks.

This morning I discussed the WTO and how it will have an effect on the sovereignty of our country. This supranational governing body will settle trade disputes and impose fines, sanctions, or make the United States change its law to comply with WTO decisions. However, I would suggest that if you do not want to take my word concerning this issue—if anyone does not want to take that word, maybe you will listen to 42 attorneys general. Let me read from the AP newswire concerning a recent letter the attorneys general sent to President Clinton. It reads:

ATTORNEYS GENERAL WRITE CLINTON ON GATT

(By Francis X. Quinn)

AUGUSTA, ME.—Led by Maine's Michael Carpenter, more than 40 state attorneys general are asking President Clinton to hold a state-federal summit on the potential domestic impact of new global trade rules.

In a letter signed by his counterparts from around the nation, Carpenter asked Clinton this week to agree to a summit this summer before the administration submits legislation to implement provisions of the Uruguay Round of the General Agreement on Tariffs and Trade.

Carpenter said state officials seek "a thorough airing of concerns about how the Uruguay Round and the proposed World Trade Organization would affect state laws and regulations."

"This is of particular concern given that some of our trading partners have apparently identified specific state laws which they intend to challenge under the WTO," Carpenter wrote.

Carpenter, who recently announced he will not seek re-election but plans to serve out the remainder of his term this year, said questions raised by sate officials concerning GATT are similar to those put to federal officials last year about the North American Free Trade Agreement.

The October 1993 letter urging increased protections for the states under NAFTA was sent to U.S. Trade Representative Mickey Kantor by Texas Attorney General Dan Morales.

States lock horns frequently with the federal government in legal disputes over whether local statutes violate national laws. Proponents of state sovereignty say they worry that states may be left without a forum to contest undesirable by-products of international trade pacts.

Carpenter said one illustrative example might be a state's ban on chemicals used to treat fruits or vegetables that could be subject to attack by a foreign government under new global trading rules.

More broadly, he said countless state standards could be vulnerable "anything that another country could say is a trade restriction."

"We can't say that this law or that law is in jeopardy, but we're very concerned," Carpenter said Thursday in a brief interview.

He said the states share "sort of a generalized anxiety." Besides writing with other attorneys general directly to Clinton on Wednesday, Carpenter himself also sent a letter to Kantor, thanking him for offering to have his staff meet next week with representatives of individual attorneys general as well as their national association.

Carpenter wrote that a series of meetings with administration officials could allow state representatives to propose changes in legislation to be submitted to Congress.

"Such an opportunity to engage in a real dialogue with the administration over the state's federalism concerns may give greater focus to the proposed summit or make its occurrence somewhat less urgent," Carpenter told Kantor.

Carpenter said Thursday the state expressions of concern were not meant to embarrass the administration. He said the attorneys general hoped to build a permanent structure that could speed reviews of future trade deals, "so that we can be involved before the deal is done."

Mr. President, that is the purpose here—before the deal is done. It is too late after the deal is done. This is merely a study we are asking for, in this resolution.

Mr. President, these 42 individuals are charged with upholding the laws of their States. If they have some concerns regarding how GATT and WTO are going to affect their efforts, then we should listen carefully to their concerns.

Another group of individuals that have also shown concern about the WTO are the State tax commissioners. Like the attorneys general, the tax commissioners are worried the WTO will render State laws useless. More specifically, the tax commissioners are worried that the Federal executive branch will have the authority to preempt State and local laws without congressional authorization, companies and foreign governments will use the Federal commerce clause to overturn State and local laws, States will have to pay retroactive taxes if a case is decided against the State, the States will not be notified about WTO cases against them nor will they have the ability to defend themselves when cases are brought against the State.

Mr. President, the tax commissioners and the attorneys general appear to have valid concerns with the authority of the WTO. One can only imagine what State and local taxes and laws that could be challenged under the WTO. Further, the investigations into whether these items are an unfair trade barrier can be conducted without even contacting the State or locality. It does not seem fair that actions can be taken against States and localities without the right to defend themselves.

In June of this year, I made a statement here on the Senate floor concerning the creation of the WTO and its effect on our country, as follows:

Those of us who were serving in the Senate during some of the previous GATT rounds have heard many of the same arguments that the Clinton administration is making in regard to this agreement. Basically, this agreement will solve our trade problems and open foreign markets for U.S. goods. A brief review of history shows that we did not accomplish our goals. After the 1979 round was completed, we saw a major decline in the steel, textile and apparel, and electronics industries. At the same time, these industries were struggling to survive due in part to the closed markets of other countries.

Mr. President, now reading from an article from the Associated Press news wire:

FRANCE, U.S. CLASH ANEW ON TRADE AT G7

(By Paul Taylor)

NAPLES, ITALY—A bitter dispute between France and the United States on liberalising world trade flared anew on Friday when the French rejected President Bill Clinton's call for a fresh review of trade barriers.

Clinton told a news conference he would urge leaders of the Group of Seven industrial powers at their Naples summit to take a new axe to remaining restrictions following last year's GATT world trade accord.

U.S. officials listed among the issues financial services, telecommunications, biotechnology, intellectual property rights, investment rules and airline landing rights—all problems on which Washington was frustrated in the GATT negotiations.

But French President Francois Mitterrand told Japanese Prime Minister Tomiichi Murayama that countries which had just signed the GATT treaty in April after seven years of difficult talks, lowering many trade barriers, needed "a breathing space."

"The president's wish, which he will spell out to Mr. Clinton, is to avoid any excessive haste," Mitterrand's spokesman Jean Musitelli told reporters.

Musitelli also said France had not been invited to a meeting of trade ministers called by Italy on the fringes of the annual G7 summit on Saturday and did not consider it appropriate. The Italian Trade Ministry said that trade ministers, not normally part of the G7 summit line-up, would discuss fresh initiatives to free up world commerce at Washington's request.

Musitelli said France learned of the "novel, bizarre and unprecedented" meeting by rumour and believed it was "not the type of meeting which is appropriate for the work of the G7." He said Britain too had not been included.

But the Italians said trade ministers of all seven countries had been invited to the Saturday afternoon meeting, and so far Germany, Canada, Japan and Italy had said they would attend.

U.S. Trade Representative Mickey Kantor and European Union Trade Commissioner Sir Leon Brittan will also take part. British officials said Trade Secretary Michael Heseltine could not come to Naples but Britain would be represented by Sarah Hogg, a policy adviser to Prime Minister John Major.

They said Washington consulted London before sending its letter to G7 governments calling for the new trade review and many of the proposals chimed with British thinking.

France and the United States were the main adversaries in the last phase of GATT's Uruguay Round, fighting bitterly over agricultural subsidies and trade in film and television.

German Economics Minister Guenter Rexrodt said on Thursday that the United State planned to use the Naples summit to launch a trade initiative, probably named Open Markets 2000.

In Brussels, a European Commission spokesman said a new international initiative to boost trade would not be acceptable if it hampered chances of ratifying and implementing the Uruguay Round of the General Agreement on Tariffs and Trade.

"The Commission is for any initiative that can increase the commitment to liberalising trade, but the first priority above all is ratification and then implementation of the Uruguay Round agreement," the spokesman said.

"Anything that can hamper that is not acceptable, but anything that can encourage ratification can be acceptable." Commission sources acknowledged Washington's concerns to get freer trade access in Europe in areas such as telecommunications and aircraft landing rights, but pointed out that the EU had its own shopping list of reciprocal demands, including complaints about the protectionist impact of "Buy American" legislation.

The U.S. proposal calls for trade ministers to report back their findings to next year's G7 summit in Canada.

The study would be carried out in cooperation with the World Trade Organization, the successor to GATT due to be created next year, and the Paris-based Organisation for Economic Cooperation and Development.

Mr. President, to paraphrase President Reagan, here we go again. Congress has not completed this agreement and the administration is already arguing that we need a new agreement. It appears to me that these items should

have been corrected in the current round instead of waiting until the future to address these issues.

Mr. President, another concern I have regarding the GATT is the total cost of the agreement. According to the news reports, the United States will lose—I repeat—will lose roughly $40 billion from tariffs over the next 10 years if this agreement is implemented. While some of the lost tariffs might be recouped from the increased trade that the United States is expected to experience, the pay-as-you-go provisions of our budgeting process require that money lost from tariff cuts must come from revenue increases or spending cuts. With our national debt at over $4 trillion, we need to be fiscally responsible in our actions. Therefore, waiving the budget rules to pay for GATT is not being fiscally responsible. If this agreement is important enough to pass, then we should not have to waive the Budget Act to enact it. Further, while the Federal Government will lose roughly $40 billion, there is no way to tell how the States and localities would fare if their taxes are challenged as unfair trade barriers.

Mr. President, hopefully, these concerns can be examined more closely before the implementing legislation is presented to Congress. It appears that the Congress is going to be forced to examine the 22,000-page GATT agreement at a time when we are working on health care reform, welfare reform, campaign finance reform, and a host of other major legislative issues. I would hope that the administration would not send the implementing legislation to Congress for at least 60 days. This agreement is very important to local, State, and Federal jurisdictions, and I would hope that we could have time to fully examine the impact of this legislation before being called to vote on it.

THE NEW WORLD TRADE ORGANIZATION—A RISK TO SOVEREIGNTY AND POWERS OF THE SENATE

Mr. PRESSLER. Mr. President, the Thurmond amendment deserves serious consideration by the Senate. The amendment addresses major concerns about the new GATT agreement soon to be addressed by the Senate. The amendment is simple and straightforward.

First, it expresses the sense of the Senate that a joint Senate-administration commission be convened to decide whether the proposed World Trade Organization should be considered as a treaty and not as an Executive agreement.

Second, the amendment calls for a period of time, prior to introduction of the implementing legislation, for further congressional hearings, both in and outside of Washington to consider the full ramifications of the United States joining the World Trade Organization.

The process being taken by the administration has brought a new meaning to the phrase "fast track." Fast-track authority permits implementing legislation to be considered and voted on without amendment. This should not mean pushing through legislation without full and deliberate consideration.

The new trade agreement is a massive document. It was just signed on April 15 of this year. The Finance Committee will begin its trial markup of implementing legislation next week. I understand that the committee hopes to conclude its consideration by the end of next week.

One thing is certain. We can learn from history. History has taught us that free trade brings stronger economic growth. I am a free trader.

The last time this body considered GATT was in 1947, when it was created. At that time, the World Bank and the International Monetary Fund were created to address international developmental and monetary problems. An International Trade Organization [ITO] was proposed to regulate trade relations among countries. However, the ITO encountered opposition in the Senate. The issue? Sovereignty. As a result, the proposed ITO failed to win enough votes for ratification.

As CBO reported in 1987, "As a weak substitute for the envisioned ITO, a GATT Secretariat, with a very small staff, was created to oversee the General Agreement and to manage multilateral trade negotiations."

Well, the ITO proposal has resurfaced. It is now called the WTO. The new GATT agreement creates a new World Trade Organization that differs from the old GATT. The WTO is not a weak version of the ITO, but a new version of it.

Under the old GATT, the United States had a veto. We could block a panel decision and we would not face retaliation. Under the WTO, the process is automatic. Panels are established, decisions are made and the United States has no veto.

Mr. President, the risks that the WTO pose to sovereignty and to the constitutional role of the Senate are real. These risks must be fully addressed. That is why my colleagues and I felt it was important to offer this amendment today. Time is running out.

The full consequences of this agreement are just beginning to come to light. Recently, I have raised concerns over the proposed World Trade Organization [WTO] created under the new agreement. I have addressed these concerns on the floor and at two hearings held by the Foreign Relations Committee and the Commerce Committee.

Many questions and concerns about the WTO are being raised. Unfortunately, there appear to be more questions than answers.

For example, what impact will this organization have on Federal, State, and local laws? What will be its budget? How many taxpayer dollars will be spent on the WTO? To whom will the WTO, with its unelected bureaucrats, answer? I do not think these questions have been answered adequately.

Another concern is whether or not the creation of the WTO should be considered as a treaty. There is a possibility the new WTO could threaten the constitutional role of the U.S. Senate.

I am not certain the WTO could be fixed. If submitted as part of the implementing legislation, it would not be subject to amendment. The best option may be to drop the proposed WTO from the implementing legislation and deal with it separately. This option needs careful consideration.

TREATY CONCERNS

Mr. President, before I discuss the issue of sovereignty, let me explain why I believe the WTO should be considered by the Senate as a treaty—not as an executive agreement.

There are four ways an international agreement can become the law of the United States.

First, if it is accompanied by the advice and consent of the Senate—a treaty;

Second, if it is authorized or approved by Congress and the matter falls with the constitutional authority of Congress—a congressional-executive agreement;

Third, if it is authorized by a prior treaty which received the advice and consent of the Senate—an executive agreement pursuant to treaty; or

Fourth, it is based on the President's own constitutional authority—a sole executive agreement.

It is clear that past GATT agreements fall under No. 2—congressional-executive agreements. These agreements call for lowering tariffs and quotas, and expanding trade. However, I question whether Congress intended or authorized the creation of the WTO.

Under international law, an international agreement is generally considered to be a treaty and binding on the parties if it meets four criteria:

First, the parties intend the agreement to be legally binding and the agreement is subject to international law;

Second, the agreement deals with significant matters;

Third, the agreement clearly and specifically describes the legal obligations of the parties; and

Fourth, the form indicates an intention to conclude a treaty, although the substance of the agreement rather than the form is the governing factor.

Mr. President, international agreements and treaties have been used interchangeably in recent years. I do not question that the trade agreements under the Uruguay round should be treated as agreements. However, the creation of the WTO is a different matter.

Let's look at Senate precedents. In 1947, the Senate Finance Committee debated this issue when considering the International Trade Organization [ITO]. At that time, the chairman of the Foreign Relations Committee was Senator Eugene D. Millikin. He suggested the following test for determining whether a treaty should be submitted to the Senate for two-thirds approval:

> The proper distinction is that when we go beyond conventional matters (duties, custom matters and foreign trade), and commence to surrender sovereignty, this is the point where the proper field of treaty comes in. Whenever you come to a matter where there is substantial disparagement of our sovereignty, whenever you come to a matter where sanctions may be invoked against the United States, by an international body, then you have probably entered the legitimate field for treaties.

I warn my colleagues. The vote on the GATT implementing legislation, which creates the WTO, is expected to be considered by the Senate as an Executive agreement. Passage will only require a simple majority.

I believe it is abundantly clear. The creation of the World Trade Organization was not anticipated when the Uruguay round negotiations began. It has been reported that the proposed WTO was pushed through in the eleventh hour of the negotiations.

Whether or not the United States joins the WTO should be considered apart from legislation implementing the final texts of the GATT Uruguay Round Agreements.

Mr. President, proponents of the WTO will argue that there is no difference between the existing GATT structure and the WTO. Proponents will argue that the WTO will not be able to coerce the United States into any decisions on trade matters. They will argue that there's little or no difference between trade dispute settlements under the current GATT agreement and the WTO. It's sort of like shopping for a used car. You hear all the great things about the WTO, but little about its flaws. I am not quite ready to buy all the arguments in favor of the WTO.

United States negotiations in the Uruguay round improved the GATT by including goods and services and reducing nontariff trade barriers. For the first time agriculture is included under the agreement. Proponents of the WTO will say the new organization is needed to ensure that these gains are not lost in dispute settlements.

Mr. President, I hear those arguments. What I do not hear is that United States intended to create and promote the creation of the WTO.

All too often, issues are rushed through this body without full consideration. It is these 11th hour deals that all too often get us into trouble. I fear that is what is happening with the WTO.

Mr. THURMOND. I yield to Senator BYRD.

Mr. BYRD. If the Senator would, I will probably take about 3 minutes.

Mr. THURMOND. I will be glad to, without losing the floor, Mr. President.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. President, I rise in support of the policy expressed in the amendment by the distinguished Senator from South Carolina [Mr. THURMOND]. It is an issue about which I feel rather strongly, but I also sympathize with the distinguished manager of bill, Mr. LEAHY, and his sentiments that this is not the right place for the amendment. The foreign aid bill is not the place to debate trade policy, and it is difficult enough for us to consider this annual legislation without major debates on extraneous matters.

I understand that the distinguished Senator from South Carolina will withdraw his amendment shortly. He has not said so, but I understand he will. And I think, all concerns considered, that would probably be the best thing. I hope that he will.

But the amendment is nevertheless before the body now, and I strongly support it. The Constitution reserves powers over international economic matters exclusively to the Congress. This is not a shared power with the executive branch. Article I, section 8 says that the Congress shall have the power to regulate commerce with foreign nations.

In recent years, there have been attempts to tippy-toe around this constitutional provision by using a mechanism allowing the executive branch to seek legislative authority from Congress to negotiate trade agreements with other nations that it structures as executive agreements. The executive branch then receives an additional advantage through procedures included in the authorizing legislation known as "fast track." This is a device which denies the Congress the opportunity to amend the agreement, and then forces the Congress to vote up or down within a limited time period. We do not even have the luxury of amending the agreement, which in the case of a treaty we would be able to amend.

First, I agree that the weight of the agreement reached in the case of the Uruguay round is such that it rises to the importance of a treaty and should be treated as a treaty.

Second, the long-term implications of the Uruguay round are such that the Senate should have full and unrestricted debate—unrestricted debate—with the opportunity for the Senate to work its will in this most vital arena of foreign policy, the economic relations we have with the rest of the world. The fact is that there should be no rush to pass legislation implementing this agreement this year. We need time to discuss it at length.

The Congress could wait until next year, next spring, after a full investigation of the ramifications of this agreement. In any case, implementing legislation is not needed until July of next year.

The Senator from South Carolina states in his amendment that the implementing legislation did not address the question of establishing a supernational adjudicatory mechanism which was incorporated in the Uruguay round of the World Trade Organization. The mechanism could make decisions which could profoundly, profoundly affect U.S. domestic law.

Considerable investigation needs to be done on this matter by this body. There are many other concerns which Members in both Houses have raised in respect to this extensive and far-reaching agreement. So let us not rush it. I think the agreement should be considered as a treaty. In any event, it should be amendable. That may be inconvenient for the other signatories to the treaty but American national interests are at stake. This is a massive trade document and has not been scrutinized by the Senate in any meaningful manner.

Therefore, I support the amendment of the Senator from South Carolina. I appreciate his offering it. I congratulate him on offering the amendment. I am glad to have an opportunity to say these few words in support of the amendment.

I hope, now that we have had an opportunity to speak at least briefly on the subject, the Senator will withdraw the amendment as it is a sense-of-the-Senate amendment and it is attached to an appropriations bill. In that respect, I hope the wishes of the Senator from Vermont [Mr. LEAHY] will be followed.

The PRESIDING OFFICER. The Senator from South Carolina retains the floor.

Mr. THURMOND. Mr. President, I am pleased we have received assurances from the Senator from Montana, who is chairman of the trade subcommittee, that the issues we have raised today will be addressed next week when the Finance Committee meets to mark up the Uruguay round implementing bill. This is one Senator who will be very interested in whether these issues have been adequately addressed. In fact, we should be given adequate time to review the proposed legislation before it is submitted to the President.

Now, Mr. President, I wish to say again that what we are trying to do is just not rush this matter. It is a matter of tremendous importance. It involves the very sovereignty of our country. It is just to give time to the executive branch and legislative branch to get together and study this matter carefully and inform the Senate what impact it is going to have on our country and just how it is going to affect the sovereignty of our country.

In view of the situation now and out of my great respect for the able chairman of the Appropriations Committee and what he said, that he thinks it would be better not to put it on this legislation, I will withdraw the amendment at this time.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from South Carolina is withdrawn.

The amendment (No. 2239) was withdrawn.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky [Mr. MCCONNELL].

AMENDMENT NO. 2240 TO THE FIRST EXCEPTED COMMITTEE AMENDMENT ON PAGE 2

(Purpose: To establish the date of Russian troop withdrawal from the Baltics)

Mr. McCONNELL. Mr. President, I send an amendment to the desk on behalf of myself, Senator MCCAIN, Senator D'AMATO, Senator DOLE, and Senator HELMS. It is an amendment to the committee amendment on page 2.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for himself, Mr. MCCAIN, Mr. D'AMATO, Mr. DOLE, and Mr. HELMS, proposes an amendment numbered 2240 to the first excepted committee amendment on page 2.

Mr. McCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the committee amendment on page 2, odd the following:

"SEC. . (a) RESTRICTION.—None of the funds appropriated or otherwise made available by this Act may be obligated for assistance for the Government of Russia after August 31, 1994 unless all armed forces of Russia and the Commonwealth of Independent States have been removed from all Baltic countries or that the status of those armed forces have been otherwise resolved by mutual agreement of the parties.

"(b) Subsection (a) does not apply to assistance that involves the provision of student exchange programs, food, clothing, medicine or other humanitarian assistance or to housing assistance for officers of the armed forces of Russia or the Commonwealth of Independent States who are removed from the territory of Estonia, Latvia, Lithuania, or countries other than Russia.

"(c) Subsection (a) does not apply if after August 31, 1994, the President determines that the provision of funds to the Government of Russia is in the national security interest.

"(d) Section 568 of this Act is null and void."

Mr. McCONNELL. Mr. President, since declaring their independence, Latvia, Lithuania, and Estonia have been dedicated to assuring that Russian troops are fully and promptly withdrawn from their sovereign territory. There is, as we can all imagine, no more provocative symbol of 50 years of Soviet occupation than the continued presence of these troops. To expedite that process, last year Congress earmarked $190 million specifically for troop withdrawal including through support for an officer resettlement program and technical assistance for the housing sector.

Now, Mr. President, in spite of that directive and an extensive legislative history which made clear this commitment was designed to remove the Russians from Lithuania, Latvia, and Estonia, the administration decided to use only 50 percent of the designated funding for Baltic troop resettlement and the balance for other Russian troops.

Now, Mr. President, in spite of undercutting congressional intent, progress has been made, I am happy to report. Three years ago, when these nations declared their independence, they were occupied by more than 100,000 Soviet troops—just 3 years ago, 100,000 Soviet troops. Obviously, comparatively speaking, the situation is a good deal better. All troops are now out of Lithuania, with 4,500 remaining in Latvia, and 2,500 remaining in Estonia. But that remaining 7 percent is still a problem. Like the citizens of Latvia and Estonia, I welcome the President's public comment in Riga last week that the United States was committed to seeing the withdrawal remain on track with all troops out by August 31 of this year, 1994. This was a target date. It is interesting to note this is the target date that President Yeltsin originally offered last year and all the parties agreed to honor. So this was a date picked by the Russians.

While in Riga, the President also offered more financial support to secure that goal. Again, I commend the President for his observation. But many of us have a nagging feeling irritated by the past year with administration compromises and concessions to the Russians that, unless held accountable in legislation, August 31 will come and go and Russian troops will continue to occupy Estonia and Latvia.

Mr. President, my concern about the President's predilection to capitulate is exacerbated by the Russian's seeming reluctance to honor the deadline. We have an example of this very recently. As Warner Wolf used to say when he was around here, and may still say, "Let us go to the videotape."

On July 11, just this week, standing at Boris Yeltsin's side, President Clinton announced the following. These are the President's words 2 days ago:

There has been a promising development in the Baltics. After my very good discussion with the President of Estonia, Mr. Meri, passed on his ideas to President Yeltsin. I believe the differences between the two countries have been announced and then agreement can be reached in the near future so that the troops would be able to be withdrawn by the end of August.

Two days ago the President was talking about the end of August this year. The President said:

When the Russian troops withdraw from Germany and the Baltics, it will end the bitter legacy of the Second World War.

Bear in mind 2 days ago President Yeltsin was standing right beside President Clinton when he said that. President Yeltsin was immediately asked by a reporter:

Will you have all of the Russian troops out of the Baltics by August 31?

This is just 2 days ago standing by President Clinton, President Yeltsin was asked the question.

The answer by President Yeltsin, a direct quote: "No." "Nice question", says President Yeltsin. "I like the question because I can say no."

So here we had 2 days ago a joint press conference with President Clinton and President Yeltsin standing side by side, and asked the question, "Will the Russian troops be out of the Baltics by August 31?" President Clinton says "yes," and President Yeltsin says "no."

Obviously, there is some confusion here about whether or not the August 31 deadline is going to be—originally suggested by the Russians, I repeat. August 31, 1994, was originally suggested by the Russians as the deadline for having all Russian troops out of the Baltics. Yet 2 days ago Yeltsin says, "I don't think we can make it."

I want to just repeat that this was the Russian's selection of this date last year. Even though they preferred a more immediate departure, when this came up last year reluctantly Estonia and Latvia accepted the target of August 31 of this year.

A full year later, a full 2 years after committing in the Helsinki summit to an early, orderly, and complete withdrawal of foreign military troops from the territories of the Baltic States, Russia is stalling again. On July 11, just a couple of days ago, Yeltsin publicly and flatly rejected his self-imposed obligation to withdraw the troops.

Madam President, this Russian reality check stands in stark contrast to the administration's sort of Disney vision about this. It is animated, it is colorful, but it is a total fantasy. There is no more clear representation of the yawning gap between reality and the administration's policy than statements made by the Secretary of State over the past 10 months.

As we are all aware, one of the significant sticking points in troop withdrawal negotiations has been how ethnic Russians will be treated. Last autumn at the ministerial meetings of the CSCE and again before the Foreign Operations Subcommittee in March, Secretary Christopher declared that Russia's intention to protect 25 million

Russians living in the so-called near abroad was understandable and legitimate. This is the Secretary of State before the Subcommittee on Foreign Operations saying the Russian concern about the 25 million Russians living in the near abroad was understandable and legitimate. Before the subcommittee he added that these Russians should be treated with generosity.

Needless to say, the sovereign sensibilities of many nations which suffered Soviet occupation were deeply offended. Like other nations, the Baltics struggled to maintain their language and their culture in defiance of the Soviet regime's calculated plans of reunification. Thousands of Balts were exiled to Siberia, or worse, and Russians dispatched military and civilians alike to establish control.

History offers a window on the current skepticism. Latvians, Lithuanians, and Estonians share with their neighbors Russia's not past ambitions but current ambitions. But there are also ongoing serious issues which cause any observer to question Moscow's intentions.

In addition to protecting minority rights, Russia continues to insist that they are guaranteed access to military installations and bases. In April, during a round of discussions with Estonia, Russia linked further progress to payment of $23 million by Estonia to Russia. In late June, this threat was repeated in conjunction with the unilateral demarcation of the Russia-Estonia border, a declaration I might add that was viewed with considerable alarm in Talinn.

In a similar vein, Latvia has found troop withdrawal subject to Russian access to radar facilities and military bases as well as offering social guarantees to Russians who reside in Latvia.

I understand the administration is attempting to balance a number of issues in a multilateral context, and is extremely sensitive to Russian concerns. But the combination of statements by the Secretary of State, and positions taken by the Russians in negotiations, cause me concern about the firmness of the August 31 withdrawal commitment.

At the moment, the bill before the Senate, the bill we are debating, bans funds from Russia after December 31, 1994, if all troops have not been withdrawn or a mutual agreement on removal has not been reached.

The amendment at the desk, the amendment we are discussing at the moment, simply changes the date to August 31, I repeat a date originally chosen by President Yeltsin and the Russians as a date by which they would have all of the troops out of the Baltics. Just last week in Riga, the President reconfirmed his commitment to that date, a commitment shared by many here in Congress.

I see no reason why legislation should undercut or postpone prospects for meeting that deadline. For more than 35 years, the Baltic nations have suffered Soviet occupation. I do not think that Congress should postpone the end of that era 1 more minute let alone 4 more months. Last year, Congress tried to provide the necessary financial incentive for withdrawal by supporting housing for withdrawn troops. I supported that. The administration decided to use only half the dedicated funds for troops from the Baltics. I hope my colleagues will join in sending a clear signal that halfhearted attempts are no longer sufficient. We expect Russia to comply with its obligations, and we look forward to September 1.

In Estonia, President Meri's words of September 1 represents the first day of a new Europe, a day when the Baltics are truly free.

Let me just quickly summarize what this amendment does. It simply moves the withdrawal date from the end of this year back to August 31, the date originally set over a year ago by President Yeltsin himself. It simply moves that date forward to the expressed intention of President Yeltsin a year ago. I think this will be extremely reassuring to those in Latvia, Estonia and Lithuania. In addition to that, there is considerable American interest that this date be met.

(Mrs. BOXER assumed the chair.)

Mr. McCONNELL. I just call my colleagues' attention to a press release dated yesterday from the Joint Baltic American National Committee—these are American citizens—supporting this amendment I have just offered. I say to all of my colleagues that this is not only the foreign policy over a "there" kind of an issue; it is also a "here" issue, in the sense that many Americans who came from the Baltic countries maintain an ongoing interest in this important date and would like it to be met.

Madam President, I ask unanimous consent that this statement from the Joint Baltic American National Committee be printed in the RECORD at this point.

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

[Press release from the Joint Baltic American National Committee, June 12, 1994]

YELTSIN SAYS RUSSIAN TROOPS TO REMAIN IN ESTONIA

Russian President Boris Yeltsin, after meeting with President Clinton on July 10, stated that Russian troops will remain in Estonia after the August 31, 1994 withdrawal deadline. The statement followed President Clinton's trip to Latvia where he called on Russia to adhere to its unconditional commitment to withdrawal.

When asked if Russia will meet the self-imposed August 31 deadline, Yeltsin bluntly stated "No", then added "I like the question, because I can say no." Only moments before, President Clinton optimistically projected that an agreement between Estonia and Russia is near, paving the way for withdrawal by the end of August. According to Yeltsin, the delay is tied to the "human rights" violations of 10,640 Russian military retirees in Estonia in addition to a lack of housing for returning Russian officers. However, these allegations are false and represent an attempt to gain unacceptable concessions from Estonia. In reality:

Ex-Soviet military personnel who retired in Estonia prior to August 31, 1991 may apply for Estonian residency permits as allowed by Estonian legislation, which would permit them to live in Estonia and vote in local elections.

Of the 10,640 ex-Red Army pensioners in Estonia, 1,600 retirees are under the age of 50; hundreds of these are younger than 45 and cannot be characterized as "harmless pensioners." Less than half, or 5,170, are over 60.

Russia demands that all Russian military personnel presently in Estonia (2,500), in addition to military pensioners, be granted residency permits. These include KGB and military intelligence officers and individuals who actively worked against Estonian independence. Their presence will continue to pose a threat to Estonia's security. Succumbing to Russian demands would lead to a demobilization of Russian forces in Estonia—not a withdrawal of Russian forces.

The United States allocated $6 million (FY93) and $160 million (FY94) to house returning Russian officers. This includes 1,250 housing vouchers for Russian officers and retired officers leaving Estonia. Estonia should not be coerced into paying for the illegal Soviet occupation.

Russia's actions follow a familiar pattern of issuing threatening statements aimed at stalling the withdrawal, such as Russia's suspension of withdrawal from Lithuania only days before its deadline. It is imperative that the United States once again take a firm stand and call on the unconditional removal of Russian troops from the Baltics by August 31.

CONGRESSIONAL SUPPORT VITAL IN WITHDRAWAL FROM ESTONIA

The Joint Baltic American National Committee, an organization representing over one million Americans of Baltic heritage, calls on Congress to support an amendment to be submitted by Senator Mitch McConnell to the FY95 Foreign Operations Appropriations Act (sec. 568) that would limit US aid to Russia if withdrawal, or an agreement on withdrawal, is not completed by August 31. The present cut-off date of December 31 will send a tacit signal that a continued Russian military presence in Estonia is acceptable. A firm resolution, however, will send a strong signal to Russia that it must live up to its international commitments and withdrawal by August 31, 1994.

Mr. McCONNELL. Madam President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY addressed the Chair.

Mr. McCONNELL. Madam President, who has the floor?

The PRESIDING OFFICER. Has the Senator yielded?

Mr. McCONNELL. I have not yielded.

Mr. CRAIG. If the Senator from Kentucky will yield briefly, while I stand in support of his amendment, I wanted to also clarify something. I just came

to the floor, and I understand that Senator THURMOND has withdrawn his amendment on the World Trade Organization. To the ranking member and chairman, let me say that while I support Senator THURMOND in withdrawing that amendment, his intent and my intent in coming to the floor to debate that issue was to raise its visibility and hope to express to all of you and to the Senate at large that this is an issue that is now beginning to speak out for an answer. It is not just this Senator or others, it is State tax commissions all around our country, State attorneys general and Governors who are beginning to look at the fine points of the General Agreement on Tariffs and Trade and the General Agreement on Tariffs in Services as it relates to the fundamental issue of sovereignty.

I strongly support trade and hope we can resolve these issues. I do believe it is incumbent upon us who are interested in it, and certainly the chairman and ranking member are here today to work with us in resolving this issue, whether it be in the implementation language or in some other form. I do not believe this is an issue that will now go away as easily as the Senator withdrew his amendment. I think it is an issue that speaks out for an answer.

Mr. MCCONNELL. I thank my friend from Idaho. It is my understanding that the chairman—I was here when the chairman of the Appropriations Committee spoke in support of the Thurmond amendment, as well. There is considerable concern about this issue. I do not believe the Senator from South Carolina withdrew it with any sense that this was an issue that was over. I think the debate was very helpful in bringing this issue before the Senate.

Mr. CRAIG. I thank my colleague.

Mr. MCCONNELL. I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Madam President, I yield momentarily to the Senator from Kentucky, without losing my right to the floor.

Mr. MCCONNELL. Madam President, I ask unanimous consent that Senator BYRD, the chairman of the Appropriations committee, be added as a cosponsor of my amendment.

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

Mr. LEAHY. Madam President, I just ask the Senator from Kentucky, in the last subsection, subsection (c), if he might consider, so we do not get into further debate down the way, in the last line, where it says "Government of Russia is in the national security interest," removing the word "security?"

While the Senator thinks about that, let me make a couple of comments.

Madam President, in our bill, we have this amendment with the date of December 31—partly because we were not sure that the bill might be finished—to avoid a continuing resolution. It appears that we may be able to avoid that. As a result, the date might be moved up. I listened to President Yeltsin's comments in Naples, and I had some concern in listening to them. I have been encouraged by the progress Russia has made to withdraw its troops from the Baltics, and I considered traveling there myself to observe some of that. But I was concerned when President Yeltsin said he would not make the August 31 deadline that we had originally assumed.

I hope that President Yeltsin will continue with his earlier commitment or be moving the withdrawal so rapidly that it was obvious that the conclusion was ineluctable.

Mr. MCCONNELL. If my friend will yield, I do not know whether he was on the floor, but my concern is that, just 2 days ago, at a joint press conference with President Clinton and President Yeltsin standing side by side, President Yeltsin said he was not going to meet the August 31 deadline. I do not think he left it in a speculative state.

Mr. LEAHY. I understand. I am perfectly willing to support this August 31 deadline. My question was only to one word in the third paragraph.

Mr. MCCONNELL. I must say to my friend that my initial reaction is that I hope we will not water down the language. We both know that national security interest is a tougher standard than national interest. The freedom and independence of the Baltics have been a big issue in this country for 50 years. We are very close to having all those Russian troops out. Many people in this country, particularly those who belong to these organizations of Latvian-, Estonian-, and Lithuanian-Americans, think it is probably in our national security interest. I hope that we can avoid modifying the amendment and that we will send a strong message to President Yeltsin to meet the date he originally suggested a year ago.

Mr. LEAHY. The reason I mention it is that in the legislation which the Senator from Kentucky and I both supported in the committee, it spoke of national interest. That was with the December 31 deadline. This is adding another word. I am trying to keep it close to that, because it is also language I want to be able to maintain as we go through this whole process. I also tell my friend from Kentucky that I support the August 31 deadline. It is one we had discussed earlier.

I note that if indeed that was not being followed and indeed the administration was not taking it seriously, there are items of this Russian aid that will have to go through the normal reprogramming process, and that would certainly influence my thinking in such reprocessing. I do not intend to allow this just to be a figleaf thing. I think the policy of the Baltics, both for stability within the former Soviet Union and the ability to improve the efficacy of our own help, is such that it is important to remove them from the Baltics.

Mr. MCCONNELL. I would say to my friend from Vermont, I understand his concerns. It seems to me we are not really asking the Russians to do much here. We are asking the Russians to stick to the deadline they themselves set.

Logistically, we are down to a rather small number of troops left. I was checking my notes here. There are 4,500 in Latvia, 2,500 in Estonia, and all of them out of Lithuania.

So we are not asking them to move all 100,000 in 6 weeks here. They are down to a few. We are asking them simply to comply with the deadline that they themselves set.

I really believe firmly that if the Senate sent a strong message with this amendment we would see those troops gone by August 31, which would be to the substantial relief to people in Latvia, Estonia, and certainly a lot of Americans who came from that area over here.

Mr. LEAHY. Madam President, as I said, the Senator has supported different language earlier. Both he and I had in the early language contemplating August 31 as the date they would be out. So his position today is as consistent today as it was earlier.

I was trying to simply change the date. I was having it be the same language.

Mr. MCCONNELL. If I may say to my good friend Senator LEAHY, the reason that I think we now need a tougher standard is just 2 days ago this week President Yeltsin stood beside President Clinton and said he was not going to meet the August 31 deadline.

So I think we have a changed condition warranting toughening up a little bit the standard as well as moving the date back to the original date that the Russians set of August 31. I think there is a changed intervening condition, a changed condition that warrants the national security interest standard as opposed to the national interest standard.

That would be my thinking there. I would hope the Senator from Vermont would agree.

Mr. LEAHY. I am persuaded by the Senator from Kentucky. At the time when I heard the statement in Naples I had expressed then, not on the floor of the Senate, but I expressed concern, Madam President.

We are in the position—the United States is, and I believe my friend from Kentucky would agree with this—as a major power—in fact we are the major power of the world—we know that it is in our national security interests to have the former Soviet Union become a democratic market-oriented, however

defined, country, not with a copycat necessarily of all our laws and institutions but one where there is a rule of law, where there are democratic principles, elections, and so forth, and one where they can engage in a free and open trade with the rest of the world, including the United States, but also one where our competition is on economics, it is on the exposure of our own ideas and ideals and not a competition on nuclear warheads or the balance of terror or deterrence. I know the Senator from Kentucky and I both agree on that.

I think, though, we also have to realize we are dealing with a nation redesigning itself, reforming itself, a nation becoming in many ways a new and totally new nation but with a proud heritage, also a heritage of great strife in the past and a feeling and the kind of concern when they did need help from the West also do not want to be considered as a second-rate nation, nor should they. This is a nation that has in the course of a century gone from being one of the major powers of all history. But the fact is that the results are in our security interests beyond the Baltics.

So, Madam President, I have no problem with this amendment.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that Senator LAUTENBERG be added as cosponsor of the amendment.

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

Mr. PELL. Madam President, I believe that we must continue to hold Russia's feet to the fire with regard to troop withdrawal from the Baltic countries. Russia has made substantial progress on withdrawing from the Baltics—all troops are out of Lithuania and withdrawal from Latvia is proceeding on schedule. This progress is due in no small part to United States engagement on this issue. Accordingly, I believe we should continue to remain engaged by pressing Russia to move ahead on its commitment to withdraw its troops from Estonia. One way to do that is to remind Russian leaders that continued United States assistance depends on responsible international behavior.

I share the concern expressed by my colleagues about President Yeltsin's recent statements that indicate foot dragging on troop withdrawal from Estonia. I am encouraged, however, that President Yeltsin and Estonian President Meri have agreed to meet within the coming days to discuss the issue.

With the Estonian-Russian talks looming, we must strike a delicate balance. On the one hand, we must be clear that continued Russian troop presence is unacceptable. On the other, we must give Russia and Estonia enough breathing room to work out the outstanding issues surrounding troop withdrawal. I believe the underlying committee bill strikes the correct balance. It states that we will restrict our assistance to Russia if Russian troops are not removed—or if the status of those forces has not been resolved by mutual agreement—by December 31. The committee language also contains a waiver that would allow the President to assist Russia if he believed it was in the national interest.

The McConnell amendment is much more stringent. It moves the deadline from December 31 to August 31. It also would make it more difficult for the President to waive the restriction. To my mind, this amendment could actually damage the prospects for speedily troop withdrawal from Estonia. By moving the date at this delicate time, we could undermine President Yeltsin and empower the hardliners in Russia who wish to undermine the negotiations on troop withdrawal.

President Yeltsin is already under intense domestic pressure. It is in our interest to bolster the reformers in Russia, and one way that we are shoring up those progressive elements is through our assistance program. If Russian reformers do not survive and nationalist or military leaders come to power, does anyone believe that troop withdrawal from Estonia will continue on track?

As I said, I believe the underlying committee amendment strikes a good balance, and I believe we should maintain that language in the bill. I therefore will oppose the McConnell amendment.

Senator MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, I rise in support of my friend from Kentucky.

I think it is important. I think it has significant ramifications for our future relations with Russia. I believe that it is of the utmost importance that at some point Russia recognize that the Western countries, especially the United States, will not allow them to continue to practice occupation and even expansion similar to that of the former Soviet Union.

Madam President, just in the way of background on March 11, 1994, a number of Senators wrote a letter to Secretary of State Christopher, encouraging continued efforts to remove the Russian armed forces from the Baltic States by August 31, 1994.

As the Senator from Kentucky has pointed out that was the date that Boris Yeltsin, the President of Russia, had committed to.

And in this letter it urges the Secretary of State to take action in order to try to see that that goal is achieved.

On April 20, I and the other Senators who cosigned the letter received an answer from Secretary Christopher:

> Russian and Latvian negotiators in Moscow initiated an agreement regarding withdrawal of Russian troops from Latvia. This significant breakthrough we hope paves the way for full withdrawal of Russian forces in Estonia by no later than August 31.

Since April 20 of this year the reasons for optimism and hope on the part of the Secretary of State have obviously been dashed.

According to published reports when President Clinton and President Yeltsin were holding a press conference in Naples, President Yeltsin was asked the question as to whether he intended to honor his own August 31 target date of withdrawal of troops from Estonia. The New York Times this week reports:

> Mr. Yeltsin replied with a blunt "nyet." This reply brought a flash of attention to the day in which the leaders sought to show they stood tall on troubled spots from Bosnia to North Korea.

According to other reports, Yeltsin said:

> Nice question. I like the question because I can say no.

Madam President, it is very disturbing that President Yeltsin should not only say no but in that manner.

I think we have to understand this issue in the context of what is happening in Russia today. We are seeing more and more clear indications of its agressive policy in the near abroad. The desire of the Russian Government and people have at least some semblance to what used to be the Soviet Union and the Russian empire by setting up buffer states which are either reabsorbed into Russia or are totally dependent upon Russia.

A number of recent events indicate clearly that events tend in this direction. Elections took place just a few days ago in two countries, Ukraine and Belarus. Victors in each of these countries were the pro-Russian candidates. In Ukraine, the president-elect in perhaps the most strategically important country in the region has often stated his desire to resume extremely strong economic, military, and political ties with Russia. Some experts predict as a result of this election that the eastern part of the Ukraine will in one way or another be reabsorbed into Russia, not necessarily the entire Ukraine but the eastern part.

In Belarus it is obviously the same, and we are seeing instances such as Georgia where Russian troops came in to put down an insurgency. For all intents and purposes the Government of Georgia today is being run from the Russian Embassy in Toblez.

So there is no doubt as to what the Russians are about. It does not necessarily make them bad or evil people. It does not necessarily mean we are on the brink of renewing the cold war. But what it does signal, all of these events, including all of the countries whose names end in stan, Turkistan, Kazakhstan, et cetera, is that there is again in many of these countries a reemergence of pro-Russian governments and more and more Russian influence

ranging from elections like those in Belarus and Ukraine to actual movement of Russian troops.

We have to tell President Yeltsin that we understand his ambitions, but we will not sit by and abandon a commitment that we have had in this country ever since the beginning of the cold war.

I think there are many of us here that remember the Fourth of July parades and those funny looking flags that we used to see of the Baltic countries—Latvia, Estonia, and Lithuania. Most of us did not know what those flags were, but we maintained embassies here in this country, in Washington, DC, of those three little countries which had suffered under Russian occupation since the end of World War II, and we maintained our commitment to their full and complete independence.

Perhaps in many parts of this country, where there are a great number of ethnic Latvians, Estonians, and Lithuanians, there was great joy and rejoicing which accompanied the dissolution of the Soviet empire and the promise of free and independent countries.

The fact is that no country is free and independent, Madam President, when they are occupied by a foreign country's military presence. We cannot, in my view, provide assistance—the treasured and hard-earned tax dollars of the American people—to a country that insists on maintaining its troops in a free and independent country against the will of that country for an unlimited period of time.

It is not complicated. We cannot fail to honor the commitment and the promise that we made to these three little countries, especially Estonia, during the days of the cold war.

So, Madam President, I believe that the amendment of the Senator from Kentucky not only signals our view and that of the American people and the Congress concerning Estonia, Latvia, and Lithuania, but it signals Mr. Yeltsin and the military in Russia and their parliament, that we will not sit idly by while the Russian empire is reconstituted. Because if we do, very soon there will be a threat to other countries, such as Poland.

Later on, I hope we are going to have a spirited debate on the issue of what countries are allowed membership in NATO, and under what conditions.

This amendment is important, not only for the Baltic States. It is very important that the American Congress send a message that we are not ready or willing to have Russian troops maintain a presence in a nation against that nation's will. Frankly, over time, if those Russian troops remain there, there is bound to be some kind of conflict between those troops and the Estonian people, because the Estonian people, very correctly, will not stand still for this kind of military occupation of their country.

I know that the amendment of the Senator from Kentucky has the full intentions of conveying the message that we share of the withdrawal of Russian troops and demand that negotiations move forward. I think we can change Yeltsin's attitude and send a message that will spur these negotiations and arrange for a peaceful and orderly withdrawal so that the people of Estonia can live a free and independent life, as has been promised to them by their Constitution and our commitment to them during the many long years of the cold war.

Madam President, I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, the Senator from Arizona knows I agree with him. I would suspect it probably would pass virtually unanimously in this body, which would make very clear what the U.S. position is in both the policy and the press conference.

Madam President, seeing the chief sponsor of the amendment on the floor, I ask unanimous consent that the vote on this be at 3:30 this afternoon.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Mr. LEAHY. Madam President, I ask, if there are others who may have amendments that require a rollcall, if they might come forward soon.

Mr. McCONNELL. If the Senator will yield, it is my understanding the Republican leader will be here momentarily to offer an amendment, and I suspect it will take a rollcall. I know the chairman is maybe interested in having two votes at 3:30 and I think that would be possible.

Mr. LEAHY. I thank my friend from Kentucky.

What I am thinking of is, if we had this and had it fairly clear that we were going to have two or even three votes right together at that time, we could make sure that was hot-lined.

The Breyer nomination is before the Judiciary Committee. In fact, I am a member of that committee and I have been trying to divide my time with that. There are a couple other committee meetings of that nature. If we are able to accommodate the chairman and ranking member of those various committees to do it in such a way that we get stacked votes, it would help them.

So, with that, I might again reiterate to those who are watching—certainly if the distinguished Republican leader is coming to the floor, I will yield to him for whatever he has—but if anybody else has an amendment that could be brought up and is going to require a rollcall between now and 3:30, my recommendation would be, if we are able to get the votes stacked, if the distinguished leaders would agree, that we might be able to then vote on one with a 15-minute vote, and the subsequent ones with a shorter time.

Again, I also note, I appreciate the cooperation of Senators so far in moving these things forward. I know we have a couple of late evenings ahead of us, but it enables us to then try to get this through conference prior to the August 31 date, because otherwise we will be unable to get through a conference by that time. But I know it is the intent of the Senator from Kentucky, and indeed mine, that if we complete this in time, we will try to do just that.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DOLE. Madam President, I have four amendments.

Mr. LEAHY. If the Senator will yield, I ask unanimous consent the pending amendment on which the yeas and nays have been ordered be temporarily laid aside so as to accommodate the Senator from Kansas.

The PRESIDING OFFICER. Without objection, it is so ordered. Without objection, the pending amendments will be laid aside.

AMENDMENTS NOS. 2241, 2242, 2243, 2244, EN BLOC

Mr. DOLE. Madam President, I understand these amendments have been cleared on each side. Let me say one is a Trans-Caucasus Enterprise Fund amendment which earmarks $5 million; another eliminates assistance for the violators of Serbian sanctions; the third would be earmarked $5 million for Bosnian hospitals. If you have been there, you would understand the need. The fourth would be for Bosnia winterization, an earmark of $10 million.

I send these four amendments to the desk en bloc and ask they be considered en bloc.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes amendments numbered 2241 through 2244, en bloc.

Mr. DOLE. Madam President, I ask unanimous consent that reading of the amendments be dispensed with.

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

AMENDMENT NO. 2241

(Purpose: To establish a Trans-Caucasus Enterprise Fund)

Mr. DOLE offered amendment No. 2241 for himself and Mr. LEVIN.

The amendment is as follows:

On page 23, line 21, delete "(m)" and insert the following new subsection:

(m) Not less than $5 million of the funds appropriated under this heading shall be made available for the capitalization of a Trans-Caucasus Enterprise Fund.

Mr. DOLE. Madam President, this is a simple and straightforward amendment. It earmarks $5 million for the establishment of a Transcaucasus Enterprise Fund. This represents a modest amount of the more than $800 million in aid provided by this legislation for the independent states of the former Soviet Union.

Enterprise funds are one of the few success stories of the American aid to the post-Communist world. They were first established in Hungary and Poland in the seed legislation in 1989 and provided with initial funding of $300 million. Enterprise funds support small- and medium-sized business ventures. They provide expertise and capital for investment. They show by joint venture and by example that projects can work—and that fosters additional investment.

The administration has established enterprise funds for all the countries of Eastern Europe, and all the countries of the former Soviet Union—with the sole exception of the Transcaucasus region of Armenia, Georgia, and Azerbaijan. The Russian Enterprise Fund was established with planned funding of $340 million. A Central Asia fund was set up for the five Central Asian republics with $150 million. A western NIS fund was established with $150 million for Ukraine, Belarus, and Moldova. Enterprise funds exist for the Baltics, for Bulgaria, for Albania, for Slovenia, and for the Czech and Slovak Republics.

Yet there is no enterprise fund for the Transcaucasus. There are arguments against such a fund—the bureaucrats can always find excuses for inaction. Some say there is conflict in the Transcaucasus. But there are conflicts in Moldova and in Central Asia as well. If it makes sense to establish enterprise funds in those regions—despite ongoing conflicts—it makes sense to include the Transcaucasus in this important private sector initiative.

Some say conditions are not yet ideal for an enterprise fund for the Caucasus. But the administration's record shows that it takes months and even years for an enterprise fund to begin operations after its formal establishment. For example, the Baltic-American Enterprise Fund was announced in October 1992, reannounced in June 1993, but no board has been named, no funds have been provided, and no operations are underway. It is not armed conflict or political violence slowing the Baltic enterprise funds, it is bureaucratic inertia. Given this track record, it makes sense to plan ahead for enterprise funds and establish one for the Transcaucasus now.

There is no shortage of needs in the Caucasus region. Port, rail, and communications facilities all need rebuilding. Armenia is a nation of entrepreneurs. Privatization has commenced and opportunities are there. In Armenia, for example, $5,000 could finance the start of a computer software company. Georgian traders and carpenters could benefit from small scale loans.

The focus of the administration's foreign aid reform is sustainable development. In my view, the best type of sustainable development is support for the private sector, support which an enterprise fund is designed to give.

Due to Senator MCCONNELL's efforts, this legislation contains $75 million for Armenia and $50 million for Georgia. Such grants are vital to meet immediate needs in the region. But we also need to look ahead, to look beyond handouts. That is what the Transcaucasus Enterprise Fund will do. An enterprise fund would provide a real incentive for privatization. It would foster regional cooperation that is vital to the future of the Transcaucasus.

I know of no opposition to this proposal and urge my colleagues to support the amendment.

AMENDMENT NO. 2242

(Purpose: To allocate funds for humanitarian assistance for Bosnia and Herzegovina)

Mr. DOLE offered amendment No. 2242 for himself and Mr. LIEBERMAN.

The amendment is as follows:

On page 112, between lines 9 and 10, insert the following new section:

SEC. . HUMANITARIAN ASSISTANCE FOR BOSNIA AND HERZEGOVINA.

Of the funds appropriated by this Act, not less than $5,000,000 shall be available only for medical equipment, medical supplies, and medicine to Bosnia and Herzegovina, and for the repair and reconstruction of hospitals, clinics, and medical facilities in Bosnia and Herzegovina.

Mr. DOLE. Madam President, last month, I was in Sarajevo and had the opportunity to visit one of its hospitals. What many people fail to realize is that hospitals and clinics in Bosnia and Herzegovina have been targeted and attacked throughout the war. We saw the Bosnian Serbs attack the Red Cross clinic in Gorazde only a few months ago. And, the hospital I visited, Kosevo Hospital, was hit often by Bosnian Serb forces in the hills surrounding Sarajevo—sometimes with tragic results. Not only did the hospital sustain structural damage and equipment loss, but doctors and nurses lost their lives when artillery shells blasted through the hospital's walls. Nevertheless, at Kosevo Hospital, and other hospitals and clinics throughout Bosnia and Herzegovina, courageous and dedicated staff worked under horrible conditions to try to save lives.

The amendment I am offering today, together with the distinguished Senator from Connecticut, Senator LIEBERMAN, provides $5 million for the repair of hospitals and other medical facilities in Bosnia and Herzegovina. These funds can also be used to provide medical equipment, medical supplies, and medicines, as required.

I hope that this amendment will receive strong support. The damaged hospitals and medical facilities need to be repaired and provided with the necessary equipment and supplies so that the Bosnian people—who have suffered for so long now—can receive the better medical care.

AMENDMENT NO. 2243

(Purpose: To allocate funds for emergency projects in Bosnia and Herzegovina)

Mr. DOLE offered amendment No. 2243 for himself and Mr. LIEBERMAN.

The amendment is as follows:

On page 112, between lines 9 and 10, insert the following new section:

SEC. . EMERGENCY PROJECTS IN BOSNIA AND HERZEGOVINA.

Of the funds appropriated by this Act, not less than $10,000,000 shall be available only for emergency winterization and rehabilitation projects and for the reestablishment of essential services in Bosnia and Herzegovina.

Mr. DOLE. Madam President, I am pleased to offer this amendment on behalf of myself and the distinguished Senator from Connecticut [Mr. LIEBERMAN]. This amendment provides $10 million in emergency winterization and rehabilitation assistance for Bosnia and Herzegovina, and for the reestablishment of essential services there.

It is not too early to plan for winter. Winter is only a few months away—and in Bosnia, it usually comes early. Unfortunately, it is my understanding that not enough is being done by international relief agencies at this time to prepare for the coming winter. Instead of increasing airlifts and convoys so that winter-related items can be stockpiled and prepositioned while the weather is good, the UNHCR has actually significantly decreased the number of airlifts into Sarajevo.

This seems incredibly shortsighted. Maybe the United Nations and others are hoping that a settlement will be reached and that the crisis in Bosnia will be over. In my view, this is wishful thinking. But, in any event there is no concrete evidence before us to suggest that there will not be a humanitarian crisis in Bosnia and Herzegovina this winter.

Mr. President, now is also the time to work on rehabilitation projects and the reestablishment of essential services. It is my understanding that U.S. aid officials, such as the disaster assistance response team [DART] based in Zagreb, have already conducted assessments on rehabilitation assistance and reestablishment of essential services.

Through this amendment we can provide at least some of the resources necessary for United States officials to move forward with rehabilitation projects, emergency winter assistance, and efforts to reestablish essential services in Bosnia.

AMENDMENT NO. 2244

(Purpose: To restrict funds available for assistance to countries not in compliance with United Nations sanctions against Serbia and Montenegro)

Mr. DOLE offered amendment No. 2244 for himself and Mr. LIEBERMAN.

The amendment is as follows:

On page 72, line 23, insert ", Serbia, and Montenegro" after "Iraq".

On page 73, line 11, insert ", Serbia, or Montenegro" after "Iraq".

On page 73, line 17, insert ", Serbia, or Montenegro, as the case may be," after "Iraq".

On page 73, line 19, insert ", Serbia, or Montenegro, as the case may be" after "Iraq".

Mr. DOLE. Madam President, I am pleased to offer this amendment on behalf of myself and the distinguished Senator from Connecticut [Mr. LIEBERMAN]. This amendment is very simple. It adds Serbia and Montenegro to section 538 of this bill, which provides that no United States assistance may be provided to any country that is not in compliance with the U.N. Security Council sanctions against Iraq, unless the President certifies that such aid is in the United States national interest, or that such aid is of a humanitarian nature.

U.N. sanctions were imposed on Serbia and Montenegro in May 1992, shortly after the war against Bosnia and Herzegovina was launched. Since that time, the international community—largely at the urging of the United States—has worked to tighten these sanctions. While the situation has improved over time, sanctions violations still occur, particularly along the Danube where NATO ships do not patrol.

In the absence of lifting the arms embargo on the Bosnians, and in the absence of effective enforcement of the NATO exclusion zones in Bosnia, sanctions remain the chief source of leverage and pressure on the Serbian Government and its collaborators in Bosnia. In short, the administration has put most of its eggs in the sanctions basket and while some like myself do not believe that is sufficient pressure to bring about a just and stable peace, the bottom line is that unless we pass legislation to lift the arms embargo on Bosnia, the administration's policy which relies on sanctions remains in place.

Therefore, it is essential that these sanctions are airtight. This amendment should serve to enhance compliance with sanctions against Serbia and Montenegro since all of the countries that border Serbia and Montenegro are recipients of United States foreign assistance.

It seems to me that we are not asking too much in making compliance with United Nations sanctions against Serbia and Montenegro a prerequisite for United States aid, just as we have made compliance with United Nations sanctions against Iraq a prerequisite. Both are aggressor states who have violated fundamental principles of international law and the U.N. Charter.

This amendment should not be controversial and I hope it will receive broad support.

Mr. LEAHY. Madam President, if the Senator from Kansas will yield, I have seen these four amendments. I have no problem with them. I understand the Senator from Kentucky has no problem with them either. I am certainly willing to accept them.

I obviously cannot guarantee what happens in conference. I do not know what will happen in conference, but I am perfectly willing to accept them and support them.

Mr. DOLE. Madam President, I thank my colleague from Vermont. I understand the Senator from Kentucky has no problem with the amendments. They have been agreed to on each side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendments.

The amendments (Nos. 2241, 2242, 2243, and 2244) were agreed to en bloc.

Mr. DOLE. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. I have another amendment which I will send to the desk which has not been agreed to. I will lay it down now and ask the pending amendment be temporarily laid aside, the McConnell amendment.

The PRESIDING OFFICER. Without objection the McConnell amendment and the pending committee amendments will be laid aside.

AMENDMENT NO. 2245

(Purpose: To establish a congressional commission for the purpose of assessing the humanitarian, political, and diplomatic conditions in Haiti and reporting to the Congress on the appropriate policy options available to the United States with respect to Haiti)

Mr. DOLE. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself and Mr. WARNER, proposes an amendment numbered 2245.

Mr. DOLE. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 112, between lines 9 and 10, insert the following new section:

SEC. . CONGRESSIONAL COMMISSION ON HAITI POLICY.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the American people support a peaceful transition to a democratic and representative government in Haiti.

(2) Haiti's elected President who is in exile and the de facto ruling junta in Haiti have reached an impasse in their negotiations for the reinstitutions of civilian government;

(3) the extensive economic sanctions imposed by the United Nations and United States against the de facto rules are causing grave harm to innocent Haitians;

(4) private businesses and other sources of employment are being shut down, and the continuation of the comprehensive economic sanctions are causing massive starvation, the spread of disease at epidemic proportions, and widespread environmental degradation; and

(5) an armed invasion of Haiti by forces of the United States, the United Nations, and the Organization of American States would endanger the lives of troops sent to Haiti as well as thousands of Haitians, especially civilians.

(b) ESTABLISHMENT AND DUTIES.—(1) There is established a congressional commission which shall be known as the Commission on Haiti Policy (in this section referred to as the "Commission").

(2) It shall be the duty of the Commission—

(A) to assess the humanitarian, political, and diplomatic conditions in Haiti; and

(B) to submit to the Congress the report described in subsection (d).

(3) In carrying out its duties, the Commission shall call upon recognized experts on Haiti and Haitian culture, as well as experts on health and social welfare, political institution building, and diplomatic processes and negotiations.

(c) COMPOSITION OF COMMISSION.—The Commission shall consist of the following Members of Congress (or their designees):

(1) The Majority Leader of the Senate.

(2) The Minority Leader of the Senate.

(3) The chairman and the ranking Member of the following committees of the Senate:

(A) The Committee on Appropriations.

(B) The Committee on Foreign Relations.

(C) The Select Committee on Intelligence.

(D) The Committee on Armed Services.

(4) The Speaker of the House of Representatives.

(5) The Minority Leader of the House of Representatives.

(6) The chairman and ranking Member of the following committees of the House of Representatives:

(A) The Committee on Appropriations.

(B) The Committee on Foreign Affairs.

(C) The Permanent Select Committee on Intelligence.

(D) The Committee on Armed Services.

(d) REPORT OF COMMISSION.—Not later than 45 days after enactment of this Act, the Commission shall submit to the congress a report on the Commission's analysis and assessment of conditions in Haiti and, if appropriate, analysis and assessment of appropriate policy options available to the United States with respect to Haiti.

Mr. DOLE. Madam President, I join with the international community in condemning Haiti's expulsion of United Nations human rights observers. It is a cowardly and deplorable act. But I also join with an unlikely ally, the editorial page of the New York Times, in urging the administration not to use this act as a pretext for invasion.

The editorial is right to conclude, "But except for refugees, what is going on in Haiti affects only Haiti." And I join with the USA Today editorial in saying we tried invading Haiti before and we failed in our goals.

I ask unanimous consent both editorials be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. DOLE. There are obviously many views in this body on what course we ought to take in Haiti. It is in the news every night. It is on the front page of the paper every morning. It is on the radio wherever you go. It is a matter of great concern.

Here we find the most impoverished country in this hemisphere—poor people are poorer now than they were a week ago or 2 weeks ago because of sanctions. Some support the use of force. Some support the use of American military power. Some oppose risking American lives for that purpose.

But all of us should want the facts before passing judgment on the issue. And the last thing we should do is to shoot first and ask questions later, questions that could lead to a peaceful resolution.

For more than 2 months now, I have called for a bipartisan factfinding commission to review the situation in Haiti.

I would expect supporters of the military option to favor my proposal. The worst outcome for the United States would be to commit U.S. power, prestige, and lives without understanding the nature of local conditions. The unfortunate example of Somalia stands as a stark reminder of this mistake. We all remember how dozens of Americans lost their lives trying to arrest a Somali warlord who just days later was given first-class transportation by the United States military.

I have every confidence in America's men and women in uniform, but in Haiti it is not hard to foresee a similar outcome. U.S. military power will reinstall Aristide as president, and within days the American soldiers will be deployed to restrain excesses of pro-Aristide forces. The time to prevent such disaster is before it begins. The time to examine the facts is now before troops are deployed. President Aristide opposes an invasion. Prime Minister Malval opposes an invasion. Haitian parliamentarians oppose an invasion. I have a letter I will include in the RECORD from a number of parliamentarians. I do not know the parliamentarians. I do not know where they belong in the political spectrum. I think the letter will be helpful to some.

Under all these circumstances, with all this opposition, it is hard to find anyone supporting an invasion. But it appears the administration is dead set on an invasion course. Political options have been rejected and no longer explored. In this situation, Congress has an appropriate role. A few weeks ago, the Senate rejected amendments which would require congressional approval before an invasion of Haiti. Later, we approved an amendment expressing our view that such approval should be sought. It is sort of a sense-of-the-Senate approach. We made that same approach months or weeks earlier. I think the vote was 98 to 0, or something unanimous for all those who were here.

Today I am offering an amendment which establishes a congressional commission of limited duration of bipartisan membership. The commission would include the majority and minority leaders and chairmen and ranking members of four key committees in the House and Senate: Foreign Relations, Armed Services, Intelligence, and Appropriations Committee.

I do not see how anybody can oppose this amendment. It is not tying anybody's hands. It simply establishes a joint Senate-House commission to assess conditions in Haiti and report back in 45 days—45 days. It seems to me it makes a lot of sense.

I would assume that the members of this commission would have no special interest, no ax to grind, no preconceived notion on what the recommendations should be.

Some might say they have enough facts now, that the commission would lead to more delay. In my view, there cannot be too much information before a decision to employ American troops is made. Maybe that decision has already been made by this administration. Sometime next week, or the next week, or the next week they are going to deploy American troops.

I believe there are many questions this commission could examine:

What, if anything, is the exact nature of any threats to Americans in Haiti?

Are any Americans really threatened? We hear some of the newscasts, we hear some of the rumors, but are any Americans threatened? If that is the case, it would certainly buttress those who favor intervention.

Why has the flow of Haitians leaving by boat increased so dramatically in the past month?

Why have efforts to achieve a political solution failed over the last 2 years?

What role could democratically-elected Haitian parliamentarians play in any potential solution?

Why did the parliamentarians' effort earlier this year fail, an effort supported and accepted by the United States and the United Nations?

Why did Prime Minister Malval resign in disgust last year?

What is the real effect of sanctions on the poorest of Haitians? And certainly we know what tragic impact sanctions are having on the poorest of Haitians.

What is the human rights record of Aristide and Cedras governments? I think we ought to take a look at both. I do not think in either case you are going to find them to anybody's liking.

Is it feasible to establish a safe haven on Haitian soil, a proposal endorsed by the House of Representatives?

The commission established by my amendment would not review such questions with a stacked deck. It would not rely on the spin control of high-priced lawyers and public relations firms. It would provide an objective view of the situation by the Congress and for the Congress.

Madam President, earlier this month, as I mentioned, I received this letter signed by a majority of the Haitian Chamber of Deputies, some 48 Haitians. In the letter, the Deputies request that a bipartisan commission be designated to assess the situation in Haiti first hand.

A week later, one of the signatories of the letter, Duly Brutus, wrote a Washington Post article supporting a congressional commission. This Member of Parliament was democratically chosen in the same election which Aristide won in 1991 and is every bit as legitimate as President Aristide. I do not know if Bill Gray has met Duly Brutus. I do not know how many Haitians he has met with beyond Aristide's circle. I do not know if he has been to Haiti recently.

I do know that U.S. policy should be based on all the available facts. I do not believe that 45 days and an independent review by Congress is too much to ask. In 1984, with bitter partisan debate toward United States policy in Central America, President Reagan listened to Congress and appointed a bipartisan panel. It was called the Kissinger Commission. I think the cochairman or vice chairman was Robert Strauss, later to become Ambassador to Russia, and a very fine Democrat.

I remain ready to work with the President in creating such a commission. I am confident the executive branch will work cooperatively with this congressional commission if this amendment is adopted.

I urge my colleagues to support this amendment, and I ask unanimous consent that the letter from the parliamentarians be printed in the RECORD.

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

REPUBLIQUE D'HAITI,
CHAMBRE DES DEPUTES,
Port-au-Prince, July 1, 1994.

Hon. ROBERT DOLE,
Minority Leader, Senate, Washington DC.

HONORABLE SENATOR: We are writing to you and other members of the bipartisan congressional leadership to request your participation in and support for an effort to peacefully resolve the political crisis that has engulfed our country and threatens to ensnare yours.

The dire consequences of Haiti's political crisis in addition to the sanctions for our society and economy are increasingly evident.

We are certain, however, that foreign military intervention cannot provide a foundation for a lasting solution to Haiti's problems. It must be noted that as Parliamentarians we firmly oppose the very idea of a military intervention which is, in any case, reproved by the different sectors comprising Haitian society.

In order to avert such a development, we think it critical that democratically-elected legislators in both of our countries establish a dialogue with each other in solemn effort to find a peaceful solution to the crisis.

Ideally such a dialogue would have been established at an earlier stage of the crisis, but we believe that it is not too late to begin working together to find a peaceful, democratic solution.

We would recommend as a first step that the bipartisan leadership of the Congress, or a group of Members designated by the bipartisan leadership, visit Haiti to assess the situation in our country first hand and to meet with Deputies from all parties elected to the Haitian Parliament.

In view of the advanced stage of the crisis, we believe this visit should occur as soon as possible.

We are available, of course, to meet in Washington with you and other members of the congressional leadership, or with Members designated by the leadership, but we believe that any such meetings should be held in addition to rather than as a substitute for a visit to Haiti.

We seek a political solution in Haiti under which human rights and the democracy will be fully respected and which would further more put an end to the degradation of the country socio economic problems while contributing to the promotion of human rights in Haiti. We are confident that it is not too late to achieve these objectives by means short of foreign military intervention.

We urge you to join us in finding a political solution along the lines described above. Please come to our country to learn more about our actual situation and to help us forge a peaceful, democratic solution.

Sincerely,

Frantz Robert Monde, Président; Député Marc Ferl Morquette, Vice-Président; Député Gabriel Antoinier Clerva, Deuxième Secrétaire; Député Benoit Beaubrun; Député Evans G. Beaubrun; Député Edmonde S. Beauzile; Député Emmanuel Reyme, Premier Secrétaire; Député Frédéric Cheron, Questeur; Député Yves Périclès Beauge; Député Pierre Duly Brutus; Député Joseph E. Beaumier; Député Jn Gardy Charlotin; Député Mie Junie Creve-Coeur; Député Job Dornevil; Député Delicier Geffrard; Député Appolon Israel; Député Jean Lionel Bouzi; Député Lafontant Clervil; Député Milcent Datus; Député Jn Eddy T. Desjardins; Député Pierre Simon George; Député Sorel Jacinthe; Député Jn Baptiste Laveaux; Député Girard R. Jn-Francois; Député Géla Jn-Simon; Député Josué Lafrance; Député Joseph Benoit Laguerre; Député Déus Jn-Francois; Député Jn Néland Jn-Luis; Député Lonnes Joseph; Député Firmin Milou Laguerre; Député Joseph Lambert; Député Jonas Louis; Député François S. Moise; Député Rita F. Moncoeur; Député Olipcial Regis; Député Millevoye Sanon; Député Denis St Fort; Député Joseph Félix Mathieu; Député Paris Moise; Député Roosevelt Ovide; Député Gabriel Sanon; Député Pierre François Vital; Député Geffrard Etienne; Député Seignon Jn-Jacques; Député Léosthène Charlot; Député Jacques Lafleur; Député Ancelot Venort.

Mr. DOLE. Madam President, let me just conclude by suggesting that 45 days—that would probably be mid-September, by the time this bill goes to conference—Congress will be in session in mid-September. Those members of the commission would have time during the August and September break, if there is to be an August break, to visit Haiti and to have appropriate hearings, whatever might be necessary.

This is totally bipartisan. As far as I know, nobody, as I said, has any preconceived notions on what should happen. I know this is a big, big issue in the State of Florida. I know in the State of Florida, they are very concerned about more and more and more immigrants coming to Florida and the burden it places on the State of Florida.

I hope that the President will see this effort as an effort to be of assistance, to remove this from what has become, at least as I view it, as sort of a partisan effort and it ought to be a nonpartisan effort or a bipartisan effort.

There has been very little consultation by the White House. I understand there may be some consultation later today. But the best way, in my view, to support whatever the President may decide to do is to have some bipartisan congressional group. Congress has a role to play in foreign policy. Congress has a role to play in Haiti. And Congress ought to be given that responsibility. I think they are willing to take it.

I would be very happy, if everything else failed, if the majority leader and the minority leader sat down and said, "OK, we are going to appoint this special group to find facts." Maybe we do not need the legislation. I think we can accomplish the same without it. But there would be certain advantages to having Congress approve the commission.

This is a very important concern. I listened to Congressman RANGEL last night on television. Obviously, he is very concerned about Haiti and has every right to be concerned about Haiti. I have great respect for Congressman RANGEL. I think he has not clearly decided which course to follow, though he may at this point favor intervention.

I do not believe anybody, regardless of their position today, would not be willing to give us 45 days or 60 days to take a look at the facts, bring back the facts, give those facts to our colleagues, Democrats and Republicans alike, and then let us make a judgment at that time, working with this administration.

That is the basis for the amendment, and I hope that my colleagues will see some merit to the amendment. I am not certain whether there will be a vote on this amendment. I know there is another amendment pending. I know some of my colleagues on this side may wish to speak on the amendment, and I yield the floor.

EXHIBIT 1

[From the USA Today, July 13, 1994]

INVADE HAITI? WE'VE DONE IT BEFORE—AND FAILED

Temptation to invade Haiti swells with each new outrage by the military gangsters running the show there. Especially for President Clinton.

He's up to his ears in Haitian refugees, he's suffering a foreign policy flop a week, and his Haiti policy spins chaotically from one questionable tactic to another.

Small wonder he threatens invasion, particularly with Haiti's thugs now booting out international human rights monitors in defiance of the international community.

After all, conquering this Caribbean nation the size of Maryland is almost a nobrainer. Overwhelming 7,500 poorly equipped Haitian troops with the full bore of the world's most sophisticated fighting force could take just hours, maybe days. Casualties, though painful, would be few, perhaps on a par with the 1983 Grenada invasion that killed 19 Americans.

Just one problem: That's where the good news ends. So before we send in the Marines, take a moment to look at what could happen next. History suggests an outcome far less satisfying than we might wish.

The last time U.S. troops tried to rescue Haiti, they stayed 19 years.

That was in 1915. Haiti had gone through seven presidents in eight years, and President Woodrow Wilson concluded that Marines could teach Haitians how "to elect good men." U.S. forces took over Haiti's finances, imposed their idea of order, dissolved the Congress and mandated a new constitution. An uneasy peace resulted, but riots and strikes erupted just before forces pulled out in 1934. Marine officers left convinced that Haiti could only be run by dictators.

Many Haitians still blame the USA for humiliating the world's first black republic with that "white-man" occupation. And they blame the USA for later support of despot Jean-Claude "Baby Doc" Duvalier.

Another invasion certainly won't change that attitude. More likely, it will be resented by the very people we aim to help.

Even Haitians fed up with the violent military junta that overthrew popularly elected President Jean-Bertrand Aristide in 1991 are unlikely to welcome lingering occupation forces. And not just because of bad, old memories.

When Duvalier fled in 1986, his brutal followers were hunted, tortured and killed. In the wake of this invasion, U.S. forces could easily find themselves with the unsavory task of protecting anti-Aristide forces.

Then there's the daunting challenge of establishing democracy in a nation that is a political, economic and environmental basket case.

President Clinton painted himself into this corner by imposing severe economic sanctions that drove Haitians from their homeland by the thousands.

Before he blasts his way out of this dilemma with U.S. firepower, the president should consider long-term costs of U.S. intervention, not just short-term rewards.

[From the New York Times National, July 13, 1994]

NO GOOD REASON TO INVADE HAITI

If the Clinton Administration is looking for a pretext to invade Haiti—a distinct possibility—it has just been handed a dandy one.

The army-backed Government's abrupt expulsion of foreign human rights monitors is a defiant slap at the United Nations and the Organization of American States. By threatening the safety of these international civil servants, Gen. Raoul Cédras and his crew have conveniently internationalized what has been essentially a domestic political crisis, finessing the objection that an invasion would violate Haitian sovereignty.

It is a conscious provocation, daring Washington to override domestic skepticism and invade. But unless force is literally needed to protect the monitors' lives, the Administration should sit tight and settle down to a policy of sanctions, sanctuary and intensified international diplomacy.

An invasion will not create a workable Haitian political system, win regional respect or set a constructive precedent for the use of force in post-cold war foreign policy. There is no guarantee of a quick exit or acclaim from the Haitian population, even the pro-Aristide majority. And it is not supported by Congress or American public opinion.

Nevertheless invasion is a seductive idea to some in the White House and the State Department because of frustration with the insolent behavior of Haiti's generals, a desire to refute doubts that this Administration is prepared to use force and fear of the political consequences of the continued massive exodus of Haitian refugees.

The better, if less dramatic, policy is to let recently tightened international sanctions do their work, pressuring countries like France to suspend commercial flights and cooperate in arranging refugee resettlement; and to find enough safe haven sites, including some in the U.S., to assure that no fleeing Haitian is forced to return home.

Force is a blunt instrument. It cannot solve political problems. It kills people, including American troops, who should only be asked to die when vital national interests are involved. It punches holes in the international legal order. It is sometimes necessary but must be used only as a last resort.

Democracy and human rights are national interests for the U.S. But except for refugees, what is going on in Haiti affects only Haiti. Fear of the political consequences of admitting legally qualified but politically unpopular refugees is not a very good reason for invading a country.

[From the Washington Post, July 7, 1994]

ALTERNATIVE TO INVASION

PORT AU PRINCE.—It would be ironic—as well as tragic—if the United States, in the name of democracy, were to intervene militarily to achieve the return of President Jean-Bertrand Aristide to Haiti. It is hard to think of anything that would do more damage to democracy.

No reputable political leader or party in all of Haiti—including Aristide—welcomes the use of military force to achieve his return. Haiti is one of the poorest nations in the world. The only dignity left to us is our sovereignty and our independence. For the United States to strip that away would be taking away the last vestige of our self-respect.

Such a forcible intervention would only generate entrenched and rigid opposition from all political classes of Haiti—including Aristide's supporters. And those supporters could be expected to be among the first to criticize the United States for conducting such an operation—even if the return of Aristide is the reason.

Everyone in the international community knows that the military of Haiti is unwilling to abide by the will of the majority as expressed in democratic elections. But the military is only one part of the problem. The weakness of democratic political institutions and the absence of a democratic culture are other parts. While the U.S. military is most certainly able to drive the Haitian military from power, it is less certain that the U.S. military would be able to build the political institutions or culture necessary for democracy to succeed. That remains for Haitians. I believe a U.S. invasion would damage Haitians' ability to build those institutions in the future.

Aristide's return to Haiti depends on his skill as a politician and, above all, his capacity to become a truly national leader. If he were a great force for national unity and reconciliation—as Nelson Mandela has been for South Africa—he would have returned to Haiti long ago. Those who know South Africa know that Mandela compromised at every turn to achieve truly democratic elections.

Today Aristide is also being tested on his willingness and ability to arrive at a compromise that will result in the departure of the high command. In the past, whenever his political skills have been most needed, he has stumbled and made it possible for the high command to find arguments to remain in power.

Aristide and his advisers have been unable to build precisely the kind of grand consensus that would make his return a political triumph for all of Haiti. His failure to achieve that victory threatens to produce a national disgrace: his return to Haiti on the shoulders of the U.S. Marine Corps.

In the past, the power of a grand national movement has worked to advance democracy in Haiti against difficult odds. In 1990 the political classes, in partnership with the economic elite and government employees, overthrew another ruthless dictator, Prosper Avril. Avril was much stronger than Gen. Raoul Cedras has ever been, but the national consensus against him was ever more powerful.

With political skill and vision, Aristide could still build that consensus. Sadly, however, he is a force for disunity and division. He has played the role of conflict seeker rather than consensus builder. Every time Haitians have come together over the past two years to try to build a broad-based consensus for democracy, Aristide—just as much as the high command—has been a reluctant if not recalcitrant participant.

It is instructive to look at his three different appearances before the United Nations at times when, without his personal participation, there would have been international consensus on Haiti. In 1991 Aristide denounced President Joaquin Balaguer of the Dominican Republic as a racist and called on the United States to lift its economic embargo against Cuba. In 1992, after he had been removed from office by coup, Aristide denounced the pope as racist. Most recently, in 1993, he called for diplomatic recognition of Taiwan.

Political consensus in Haiti is difficult if not impossible without political consensus in the United States. Congress should create a bipartisan commission on Haiti to listen to all the actors and make recommendations to the president. Such an approach would contribute to the emergence of a dialogue and a real national consensus in Haiti. Nelson Mandela, with his legendary popularity added to his legitimacy as a democratic leader, achieved a consensus that has allowed formation of his new government. That search for consensus should guide American and Haitian political leaders as well.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator from Virginia.

Mr. WARNER. Mr. President, I commend the distinguished Republican leader, and I join him as a cosponsor on this amendment.

Yesterday afternoon, the Senate Intelligence Committee conducted an extensive and indepth hearing, with administration officials, primarily from the intelligence community, concerning the very complex issue of Haiti.

While I am not at liberty to go into the details of that hearing, I wish to assure the Senate that these details can be made available to each Member and that they deserve the closest scrutiny at this critical time.

I have joined the Republican leader on this amendment because I think he has come up with the most viable approach to this problem that I have seen put forward by anyone to date. In reaching this conclusion to support the leader, I have undertaken an in-depth study of the history of the United States and its relations with Haiti. I urge each colleague to go back to 1915, when the President decided to send the U.S. Marines into Haiti to try to bring about some order, some stability and to lessen human suffering. At that time it was expected that the Marines would be in Haiti for a short period of time.

That short period soon evolved into many years. As a matter of fact, it was not until 1934 that the Marines were withdrawn.

Those who advocate using U.S. military forces to invade Haiti claim that it would only take a matter of hours for U.S. forces to achieve their initial objectives. But I have not seen the analysis that I feel is absolutely essential concerning what happens after the Haitian military leaders are removed from power. Have those persons advocating this invasion gone back and studied, as I and other Members of this body have, the history of the last time the United States sent forces into Haiti? I think it is essential for every Member of the Senate, indeed of the Congress, to study that chapter of our history and know full well the consequences which might follow an initial use of our military in Haiti.

Mr. President, I will ask unanimous consent at this time to place in the RECORD an editorial from today's New York Times, which questions the wisdom of those who argue for military action by this country; as well as an article from the Wall Street Journal.

And I hope to receive from the Department of Defense today in time to incorporate in the RECORD, some material about that critical chapter of 1915 to 1934 when the U.S. Marines were called on to perform a task not dissimilar to the one that is being contemplated today.

There being no objection, the editorial were ordered to be printed in the RECORD, as follows:

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[From the Wall Street Journal, July 13, 1994]

HAITI—NO GRENADA

(By William Perry)

The debate over the merits of U.S. military intervention in Haiti has many curious facets. One of the most obvious is that the liberal doves of yesteryear now seem to have recanted their prejudice that Washington can do no good in the world (especially through military means), as well as their attachments to the principle of nonintervention. And they now invoke precedents, like Grenada, to make their case. Unfortunately for this line of argument, the situations within Haiti and Grenada are not comparable. The wider international context has been completely transformed since 1983.

The nominal purposes of a U.S. military intervention in Haiti would be to "restore" democracy to that country and to stanch the flow of refugees from there to our shores. But the fact is that the use of U.S. forces to oust the current regime in Port-au-Prince and substitute a government headed by Jean-Bertrand Aristide is unlikely to produce these results. And any effort to secure them would involve America in a complicated, long-term commitment for which even the most fervent advocates of intervention are not prepared.

The first thing to appreciate about Haiti is that it is the least developed country—both economically and politically—in the Western Hemisphere. To speak more bluntly: At its present state of development, Haitian society may be incapable of sustaining an authentic and functional democratic political system by itself. And the messianic, problematical personality of Mr. Aristide will not make this inherently difficult task any easier. Such judgments are not based on ideology—much less on racism. In fact, the example of Grenada demonstrates that what truly matters is a country's political culture and its level of economic development.

Thus, in Grenada we were confronted with a group of malefactors who could be surgically removed—in short order and at low cost—gratifying the local population and allowing that country's naturally democratic institutions to resume their normal function. But with regard to Haiti, we would either install Mr. Aristide and promptly leave—in which case he would soon find himself involved in grave difficulties (probably requiring another intervention)—or we would have to stay on for a long time.

A DIFFICULT PARTNER

Even if the United Nations could be induced to join us in a longer-term effort, the heart of an occupation force would be American—and seen that way in Haiti and abroad. We would be functioning, in effect, as the security force of an Aristide government. Inevitably, he would prove a difficult partner, while his opponents would blame us for whatever policies he pursues. More fundamentally, we would face the task of transforming Haiti's political culture in the teeth of that nation's fierce and somewhat paranoid nationalism. Ugly incidents would be bound to occur and substantial obligations undertaken, both to sustain the occupation and to refloat the Haitian economy with further financial aid. Frankly, it is doubtful whether U.S. public opinion has the stomach for all this.

The other major difference between Haiti in 1994 and Grenada in 1983 is the international context. The early 1980s were characterized by an effort on the part of the Reagan administration to contain and reverse the Soviet expansionism that was evident during President Carter's tenure—and to make the "evil empire" pay the highest possible price for the aggressive course that it has been pursuing.

In this high-stakes global game, the very future of the U.S. was seen to hang in the balance. The Western Hemisphere, where the Soviet-Cuban axis was operating in Central America and the Caribbean, had emerged as a significant area in that competition. Grenada had become the third ally of Moscow in the arena (along with Cuba and Nicaragua). Thus, the bloody internal struggle that tore apart the Marxist New Jewel movement in Grenada presented dangers of even greater extremism there—and, alternatively, opportunities for the U.S. containment of Soviet designs—that could not be ignored.

Haiti in 1994 does not fit into any such strategy to protect vital U.S. interests. The Clinton administration has as yet been unable to articulate any grand design to meet the challenges of the new post-Cold War world. In fact, its vacillating course on the international scene, combined with a painful ambivalence about the use of force that weakens its credibility, has contributed a great deal to the situation we now face in Haiti. As a result, the protagonists in the local struggle have scant respect for the views of the Clinton government. Of equal importance, little in the way of support from the American people can be expected.

Undoubtedly the U.S. would have to use its military forces if the situation in Haiti exploded to the point that the lives of our citizens and those of other foreign nationals were seriously threatened. But armed intervention to install Mr. Aristide and to halt the tide of refugees would be a serious mistake—in no way justified by our previous experience in places like Grenada.

Mr. WARNER. A second subject that we covered at some length yesterday—and again I am handicapped, understandably, by the classification level at that hearing, but I pressed at length about whether or not the administration has examined all of the options regarding policy toward Haiti. The Secretary of State, the Secretary of Defense, and the Chairman of the Joint Chiefs of Staff will be in the Senate today consulting with the leadership on this and other issues. But I question whether we have fully looked at all of the options which may be available to us, other than the use of U.S. military force.

Second, I question the degree to which the United Nations will or will not participate in a military mission in Haiti. It is very easy to say we should go in under the auspices of the United Nations. Time and time again here in this Chamber, primarily in connection with Somalia and to some extent Bosnia, my colleagues have quite justifiably questioned command and control of military operations under the auspices of the United Nations. I would like to see such arrangements spelled out with great clarity if, indeed, the United Nations is to be involved in a Haiti operation.

This Senator has been informed that if the military leadership in Haiti is removed, there is a question as to whether or not such a move would precipitate civil war throughout the country. We should consider this possibility and other possible consequences of a U.S. military invasion. This is a decision not to be taken lightly.

Furthermore, this Senator would want to know exactly what role, if any, other nations in the hemisphere are going to play. Is this going to be solely

a U.S. operation or is it to be a multilateral venture? Will other nations help with the problem of restoring some stability to Haiti and providing the economic assistance that would be necessary in the aftermath of any military action?

Mr. President, the Senate Armed Services Committee will soon be completing a report on Somalia. It has been my privilege to work on that report with my colleague from Michigan, Mr. LEVIN. We have taken extensive testimony, interviewed almost everyone that played a key role. The experience of developing that report on Somalia directly relates to my concerns in the case of Haiti. We have not as yet fully documented lessons learned in Somalia. I hoped that we could do that before, once again, we send our troops forward from these shores in the cause of trying to lessen the hardship of other citizens of the world.

I question whether the United States has national security interests in Haiti which would justify the use of the United States military. Yes, it is but a short distance from our shores as compared to Bosnia and Somalia. But that fact alone, to this Senator, does not justify an immediate conclusion that there are security interests involved. Humanitarian interests, yes. That is apparent; but that is not enough to justify a military invasion.

In the course of the deliberations on the Senate Armed Services authorization bill, I produced a chart prepared by the Defense Intelligence Agency showing that as of today there are no less than 60 areas of the world in which hostilities are occurring, resulting in human suffering of varying degrees.

That compared with an analysis using the same parameters 7 years ago showing 30-plus areas of the world in which there were hostilities and human suffering. This is a very troubled world. We have to be very careful as a Nation to determine the criteria we use to send our men and women in the Armed Forces beyond our shores to try to lessen the hardship in the world.

Mr. President, I urge all colleagues to take a close look at this amendment and, hopefully, join with the distinguished Republican leader in this effort. I urge that we take the steps outlined in this amendment, in this real view of leadership taken by Senator DOLE in relation to this serious problem in Haiti.

I yield the floor.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Hampshire [Mr. GREGG].

Mr. GREGG. Thank you, Mr. President.

I rise to comment also on the proposal of the senior Senator from Kansas, the Republican leader. I think it is a very constructive effort to try to address the Haitian situation. A week and a half ago, I offered an amendment on this floor to ask that the President be required to come to this Congress, this Senate, and explain and report the purposes which he was pursuing in Haiti before he used any military force in Haiti.

The Senate decided that, rather than pursue it in a manner which would require that it occur relative to funding to be available, to rather make it a sense of the Senate to call on the President to come to this Congress and explain his purposes relative to Haiti.

Yet, we have not heard that explanation. Today, it is fairly clear that this administration has positioned itself to use military force in Haiti. There is no question about that. In fact, one of the national channels, CNN, was reporting yesterday the date on which the invasion would occur. They said it was going to occur within 10 days. They said the reason it was not going to occur today or in the next few days was because the President was out of the country and the Secretary of Defense was going to be out of the country. So they were specifically reporting, from the Pentagon I might add, that the invasion would occur within 10 days.

When we have reached that point of intensity of threat for the use of American forces, we need to know why. The American people need to know why. The fundamental question has to be when an American soldier is in the streets fighting for his or her life, whether it is in the streets of Port-au-Prince or in the streets of Somalia, that American soldier has to know why he or she is there putting his or her life at risk, and the American people need to know why that is occurring. The national interest has to have been defined, a national interest significant enough to be willing to put at risk an American life, and to be willing to put at stake the American military prestige. This President has not defined that national interest.

Is the national interest the failure of his policy and sanctions which has created the immigration issue? Is the national interest the fact that you have a thuggery running the country? Is the national interest the fact that the country is impoverished? I do not happen to think that the threshold question of national interest is met by any of those issues.

This Presidency has not been able to make the case that the refugee issue from Haiti involving Haitians represents a clear national interest which requires us to use military intervention there. In fact, the refugee issue is a self-created event, self-inflicted wound generated by the policies of this administration as they pursue the sanction policy which has impoverished the people of Haiti while enriching the thugs who run Haiti, and then at the same time taking a bumper car approach of how they deal with refugees, one day saying they will give them political asylum and the next saying they will not give them political asylum and encouraging Haitians to leave their country in hopes of a better life when in fact we are not going to be able to accept them here.

So it is their own policies that have created this exodus, and the numbers involved in this exodus, although large and compelling, certainly do not impact us as a nation as much as, for example, the numbers of people who are illegally immigrating here from other nations in the Western Hemisphere. In fact, they are only a small fraction of the people coming into our country from, for example, Mexico.

So the case for national interest for invasion cannot be made on the basis of illegal immigrants or the refugees. It cannot be made on the basis of fact that there are a bunch of thugs running the country that have taken over that country from an elected democracy for elected leaders. That has occurred in other parts of this hemisphere, and is in fact the case in a nation even closer to our shores than that, and the people have been repressed. But it does not justify military intervention.

It cannot be made for the reason that this is a very impoverished country because, regrettably, there are a number of impoverished countries in this world, and that does not justify military intervention.

So this administration simply has not made the case for why we should initiate military intervention. Until it makes that case and makes it to the American people, it would be a tremendous mistake to pursue such a policy.

Thus, I rise to support the proposal put forward by Senator DOLE, which makes the very reasonable suggestion that, if the President is not going to lay out the justifications for American policy relative to Haiti or if that policy is going to change basically on an hourly basis by this administration, that the Congress needs to step in and at least find out what is going on and give some definition to American policy. That is what the Dole amendment basically proposes: that we as a Senate and we as a Congress fulfill our role in the area of giving advice and consent in the area of foreign policy and design and assist this administration, which really needs a tremendous amount of assistance, in giving some definition to what is the American purpose relative to Haiti.

Clearly, at a minimum, at an absolute minimum, this should be done before we put American lives at risk. What Senator in this body is going to want to go to the loved one of a soldier who has been wounded, or maybe even lost his or her life as a result of being put into the streets of Port-au-Prince in a military action? What Senator is going to want to go to that mother or

that father or that spouse, that husband, that son, that daughter and try to explain to them what it was that their son or their daughter or their husband or their wife went to war for? What was the American interest? I could not do it. I would not want to be put in that position.

I do not think we should ask our American soldiers to go into Port-au-Prince or into Haiti unless they know what they are going in for. That is a basic element of a democracy that you do not ask your people to fight unless you know and tell them what they are fighting for. This administration has not done that. It continues to fail on that account. Therefore, the Dole amendment is an attempt to try to clarify the situation.

So I strongly support it.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky [Mr. MCCONNELL].

Mr. MCCONNELL. Mr. President, let me briefly commend the Senator from New Hampshire for his comments and the particular leadership he exhibited when we discussed a different approach to the Haiti question. I suspect that the President thinks that many of us are trying to embarrass him on Haiti. We are not. We are clearly trying to force the administration to come to grips and define an appropriate policy, Mr. President.

I am not going to read them all, but I have a list here of quotes on Haiti policy by people who are friendly to the President. The chairman of the Black Caucus in the House said the other day: "It is a policy of anarchy." An adviser to Aristide said just 3 days ago: "I am simply lost. Once again, there has been policy derailment."

Carl Rowan, a columnist we are all familiar with and frequently read, who is certainly not hostile to the Clinton administration, said 2 days ago: "He is about to invade because he hasn't the foggiest notion of anything else to do."

This is not the Senator from New Hampshire or the Senator from Arizona or the Senator from Kentucky making these remarks. This is Carl Rowan, a prominent columnist that we all admire and read frequently.

So the point we are trying to make to the President in a variety of different ways is define and stick with a policy on Haiti. The Republican leader has come up with a good suggestion on this congressional commission because, clearly, before you do anything in Haiti, we are all going to have to be participants in it. The message we have been trying to send to the President of the United States is there is no way, practically speaking that he can politically, or should strategically, or for any other reason, invade Haiti without coming to us for some consultation.

So we are not here having this debate because we are trying to embarrass the President of the United States. We are having this discussion because, Mr. President, we do not understand the policy and cannot comprehend how he can justify an invasion of this tiny island. As numerous speakers have pointed out, the last time the United States did it, it did not work out too well. So we are trying to send a message—hopefully not in a confrontational way—to the President, that if he has any notions of invasion, let us not do that. So the Republican leader has suggested this congressional commission, with a very limited lifespan of 45 days, composed of people who represent the body that he will have to consult—the Congress—in order to make any kind of invasion fly with the American public.

So I commend the Senator from New Hampshire for his continuing involvement in this issue. The Senator from Arizona is about to speak as well. We have come at this issue with amendments in a little different way. Some of us have had problems with them if they intended to restrict the President's involvement in advance; but, fundamentally, we are all in the same place. I think we are saying in a rather unified chorus: Do not invade, Mr. President. And do, by the way, try to figure out what the policy ought to be.

There were 15,000 new refugees created in the last few weeks because of what they think the current policy is. People are leaving the country, scrambling to get out. Obviously, what we are doing now is not working. Maybe some of us up here may be able to offer some good advice to the President as he seeks to formulate a policy that will work.

I am certain that the invasion option is an inviting thing. I mean, most military advisers would think that the initial invasion would be a piece of cake. But then we all know—as it has been frequently discussed as we have debated Haiti on other occasions—what happens then. So you topple the government and what do you have? Then you have the responsibility—a highly questionable option.

I commend the Senator from New Hampshire for his most important contribution to this debate and join the chorus of those saying to the President: Please do not invade; it is not a good idea. I know it is tempting, and it might be doubly tempting if we are out of here during the August recess.

Mr. President, we should say to the President of the United States that there will be an uproar across America if there is an invasion of Haiti, particularly if it is not conducted after careful consultation with the Congress. And just because there may be some Americans in Haiti that will be a strained way to justify such an invasion, because there is no evidence that any of them are under a threat of bodily harm or would welcome such action.

So I think the Republican leader has certainly crafted an interesting and appropriate approach so that Congress might speak on this Haiti issue. We have been trying to. We have been working at it in different ways. The amendments may not be clear, or the pattern may not be clear of the amendments, but the message should be clear and unambiguous, Mr. President.

I yield the floor.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. I would advise the Senator that there is a rollcall vote scheduled for 3:30 p.m., at which time the Chair will have to interrupt the Senator, but then he will immediately regain the floor following the vote.

Mr. MCCAIN. I thank the Chair.

Mr. President, I rise in support of the Dole amendment. I want to associate myself with the remarks of the Senator from New Hampshire and the Senator from Kentucky, who I think make very important points.

There are several reasons why this amendment—although perhaps unusual—is very important and compelling. One is that, in my view, with a caveat, this country is headed toward an invasion of Haiti. The embargo policy which starves children and women and poor and elderly and prevents rich people from flying to Miami ratchets up in a most distressing way the poverty and deprivation of the Haitian people. This in turn drives them into boats and drives them into either safe havens, or Florida, to be returned after some period of time.

The caveat I have to the likelihood of this invasion is that the President of the United States like all Presidents, pays close attention to the polls, and the overwhelming majority of the American people are in opposition to a military invasion of Haiti. The overwhelming majority of the military leadership in this country, uniformed military leadership, is also opposed, not because, as the Senator from Kentucky stated, it would be a difficult military operation initially, but because once we are enmeshed in this very difficult and complex situation, we would sooner or later face very fierce resistance on the part of the Haitian people who, for whatever reason, do not want to be invaded and occupied by a foreign country or countries.

So we are headed toward an invasion, and perhaps, as my friend from Florida, who I see on the floor, very articulately argued, there is a reason for an invasion. But if there is going to be one, there should be consensus in the Congress and among the American people before we do so.

Unfortunately, this administration has not—I repeat, has not—consulted in a bipartisan fashion with Members of Congress—not on this issue or practically any other issue. I regret it, and

I strongly urge this administration to do what previous administrations have done, both Republican and Democrat, and that is start consulting with Members of the opposite party. It has not happened, and they could probably spare themselves a lot of grief and criticism if they would begin to do that.

There are some of us that still believe that partisanship ends at the water's edge, but when not consulted, we have to draw our own conclusions and reach the American people in the most effective fashion.

The other reason, Mr. President, why there is a need for this bipartisan commission is because of the incredible confusion which has characterized the conduct of the United States' policy in Haiti.

Mr. President, I ask unanimous consent that the vote be delayed for an additional 7 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object, I want to accommodate the Senator from Arizona. I am thinking of the two hearings that are going on. We can delay the vote 5 minutes.

Mr. MCCAIN. I understand. I withdraw my unanimous-consent request.

Mr. LEAHY. If the Senator wants 5 minutes, all right.

The PRESIDING OFFICER. Without objection, the vote will then occur at 3:35 p.m.

The Senator from Arizona has the floor.

Mr. MCCAIN. Mr. President, there have been in my view five Clinton policies on Haiti.

The first policy was that of candidate Clinton, who called the Bush policy of forcibly returning fleeing Haitians immoral. Candidate Clinton said, "I am appalled by the decision of the Bush administration to pick up fleeing Haitians on the high seas and forcibly returning them to Haiti."

The second policy was that of a President just beginning to understand that being a candidate and being President are vastly different things. He announced just before the inauguration a policy identical to the Bush policy—that he would continue to intercept fleeing Haitians and retain them. The intention was to prevent the massive outflow of refugees that may have accompanied his inauguration.

The third policy was policy by hunger strike. The change came on May 8 under pressure from the Congressional Black Caucus and Randall Robinson. The new policy proposed to process refugees on ships off the coast of Haiti and in third countries. The new policy took effect on June 16, 1994, and then began the new flood of refugees, exactly what Clinton had sought to avoid before his inauguration. Between June 16, when the policy changed, and July 7, roughly 14,000 Haitians were picked up at sea. This is a massive number if compared to the more than 45,000 between the coup in September 1991 and June 16, 1994.

The fourth policy came this last Tuesday, 3 weeks after the second policy. This was a policy once again designed to stem the flow of refugees. Refugees would be taken to out-of-country processing centers. If they were found to have a legitimate claim to persecution, they would have been allowed to stay in the refugee camp. If not, they would be returned to Haiti. This was backed up by statements from the administration such as William Gray, "Those who take to the boats will not have resettlement possibilities in the United States."

The fifth policy came a day later, apparently under pressure from the Black Caucus and others. Once again a tough policy designed to stem the flow of refugees was overturned for political reasons. Refugees would not have to prove a fear of persecution to stay in the third country refugee camps, although they would still be barred from coming to the United States.

We are telling the refugees "come" and "do not come." The nuances of the policies may be lost on them. The constant flip-flops are causing tragedy off the coast of Haiti every day.

There have also been changes in Clinton's policies on military intervention. Last fall the President said that he was only contemplating military involvement as part of a peaceful U.N. brokered settlement.

Later he said military force to restore Aristide could not be ruled out. October 13, 1993:

> I have no intention of asking our young people in uniform * * * to go in there and do anything other than implement a peace agreement.

May 13, 1994:

> I think that we cannot afford to discount the prospect of a military option in Haiti.

Mr. President, we have to have consistent policy, as said by Congressman MFUME just a couple days ago. We have got to have a consistent policy even one that this Senator may disagree with. We are confusing our allies, encouraging our enemies, and the response of the military leadership in Haiti is only one group that has been encouraged.

Questions need to be answered, Mr. President. What basis under international law would justify the United States invading at this time?

If United States troops occupy Haiti, they will become the police power there. What will American forces do if Haitian citizens take mob action in the street against their purported enemies? Will they shoot Haitians if necessary to prevent violence by Haitians against Haitians, or will they stand by and permit mob action including necklacing to occur?

What strategy do we have to remove American forces once they are committed to Haiti? Will we remove our troops if President Aristide requests that we do so within weeks after an invasion? What assurances do we have that the United Nations, or another international institution, will deploy a force to relieve American forces? How quickly would they do so? If we do not have such assurances, what is our exit strategy for the United States?

Mr. President, I note that the hour has almost arrived. I will save the remainder of remarks until after the vote.

The PRESIDING OFFICER. The Chair thanks the Senator from Arizona.

VOTE ON AMENDMENT NO. 2240

The PRESIDING OFFICER. The question occurs now under the previous order on amendment No. 2240 offered by the Senator from Kentucky. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Georgia [Mr. NUNN] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Rhode Island [Mr. CHAFEE] and the Senator from Georgia [Mr. COVERDELL] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 89, nays 8, as follows:

[Rollcall Vote No. 190 Leg.]

YEAS—89

Akaka	Faircloth	Mathews
Baucus	Feingold	McCain
Bennett	Feinstein	McConnell
Biden	Gorton	Mikulski
Bingaman	Graham	Mitchell
Bond	Gramm	Moseley-Braun
Boxer	Grassley	Moynihan
Bradley	Gregg	Murkowski
Breaux	Harkin	Murray
Brown	Hatch	Nickles
Bryan	Hatfield	Packwood
Bumpers	Heflin	Pressler
Burns	Helms	Reid
Byrd	Hutchison	Riegle
Campbell	Inouye	Robb
Coats	Jeffords	Rockefeller
Cochran	Johnston	Roth
Cohen	Kassebaum	Sarbanes
Conrad	Kempthorne	Sasser
Craig	Kennedy	Shelby
D'Amato	Kerrey	Simpson
Danforth	Kerry	Smith
Daschle	Kohl	Specter
DeConcini	Lautenberg	Stevens
Dodd	Leahy	Thurmond
Dole	Levin	Wallop
Domenici	Lieberman	Warner
Dorgan	Lott	Wellstone
Durenberger	Lugar	Wofford
Exon	Mack	

NAYS—8

Boren	Hollings	Pryor
Ford	Metzenbaum	Simon
Glenn	Pell	

NOT VOTING—3

Chafee	Coverdell	Nunn

So the amendment (No. 2240) was agreed to.

Mr. D'AMATO. Madam President, I rise today in support of Senator MCCONNELL'S amendment that would condition Russian aid upon a commitment to withdrawal of all Russian troops from the Baltics. I would like to commend the Senator from Kentucky for offering this amendment, and I am pleased to be a cosponsor of it.

It is very important for Russia to understand that the colonial legacy of the Soviet Union is over. Russian policy vis-a-vis its neighbors leaves much to be desired. The insistence that Russia be allowed to settle disputes along its borders, smacks of imperialism and a rightist tendency that must be stopped. Having said this, I am very disturbed that President Yeltsin has refused to withdraw its 2,500 troops from Estonia by August 31, 1994.

The United States is providing $839,000,000 to Russia. This is no small amount of money. While it most certainly needs this assistance, it must also realize that it must follow a norm of behavior consistent with the rest of the civilized world. As long as Russia refuses to commit to the withdrawal of its troops from Estonia and the other sovereign Baltic States, then we must condition our aid to them on this issue.

The Baltics are free and independent States and Russia must recognize this. The presence of Russian troops represents a Russian dispute with this fact. The message that this amendment sends is an important one and one that must be clearly understood by Russia. I hope that my colleagues will support this amendment.

The PRESIDING OFFICER. The Senator from Vermont.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2245

The PRESIDING OFFICER. The Senate now returns to the pending amendment offered by the Senator from Kansas, No. 2245.

Mr. LEAHY. Mr. President, I ask unanimous consent the amendment by the Senator from Kansas be temporarily laid aside.

Mr. MCCONNELL. Mr. President, reserving the right to object, it was my understanding that Senator MCCAIN was to be recognized.

The PRESIDING OFFICER. The Chair advises that the Senator from Arizona did indicate that after the vote we just concluded he would seek recognition to extend his remarks.

Mr. MCCONNELL. That was my understanding, Mr. President.

Mr. LEAHY. Mr. President, I think the Senator from Illinois is only going to need 2 or 3 minutes while we are waiting for the Senator from Arizona.

Mr. MCCONNELL. Mr. President, I therefore do not object. I do not see the Senator from Arizona.

The PRESIDING OFFICER. Without objection, the pending amendment, No. 2245, is set aside.

AMENDMENT NO. 2246

(Purpose : To allocate assistance that has as its objective the improvement of the lives of the poor)

Mr. SIMON. Mr. President, I send an amendment to the desk and ask for its immediate consideration. I think it is agreed to by both sides.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON], for himself and Mr. JEFFORDS, proposes an amendment numbered 2246.

Mr. SIMON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 112, between lines 9 and 10, insert the following new section:

POVERTY REDUCTION EMPHASIS FOR DEVELOPMENT ASSISTANCE

SEC. . (a) Of the total amount of funds appropriated by this Act to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, a substantial percentage of the funds shall be available only to finance programs, projects, and activities that directly improve the lives of the poor, with special emphasis on those individuals living in absolute poverty.

(b) It is the sense of Congress that the President, in carrying out this section, should—

(1) promulgate appropriate standards for identifying those populations living in poverty;

(2) establish a program performance, monitoring, and evaluation capacity within the Agency for International Development that will develop and prepare, in consultation with both local and international nongovernmental organizations, appropriate indicators and criteria for monitoring and evaluation of progress toward poverty reduction; and

(3) take steps necessary to increase the direct involvement of the poor in project design, implementation and evaluation, including increasing opportunities for direct funding of local nongovernmental organizations serving these populations, and other local capacity-building measures.

(c) The Congress urges the President, not later than April 1, 1995, to submit to the Congress a report setting forth the progress made in carrying out this section.

Mr. SIMON. Mr. President, I believe this is acceptable to both sides. What this is, is a sense of the Senate that a substantial amount of our foreign aid has to go to those who are the poor in various countries.

Many people say that is happening already. Unfortunately, frequently in foreign aid programs we end up with consultant fees and all kinds of other things and they do not get the priority. Back some years ago, when I was in the House, I got an amendment on saying that 50 percent ought to go, at least, to those who are poor within the countries that receive foreign aid, with the exception of the Middle East situation, which is special. That was accepted in conference at 40 percent.

Then a few years ago, unbeknownst to me, that was quietly slipped off.

I think this sense of the Senate, with the requirement that we get a report back on what is happening, is acceptable to everyone. I think it moves our aid program just a little more in the direction that we ought to be going.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I have no objection to the amendment. I believe it has been cleared.

Mr. MCCONNELL. We have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

The amendment (No. 2246) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I know there are a number of people who will speak on the Dole amendment when it recurs. I understand the distinguished Republican leader anticipates a vote tomorrow, as opposed to today, on that amendment. So I suggest, Mr. President, if there are others who have amendments that have either been cleared or could go quickly to a vote or otherwise—let me ask the Presiding Officer, what now is the parliamentary situation?

The PRESIDING OFFICER. The Senate has now returned to amendment No. 2245 offered by the Senator from Kansas.

Mr. LEAHY. And that is the pending business?

The PRESIDING OFFICER. That is correct.

Mr. LEAHY. Is my understanding correct that the yeas and nays have been ordered on that amendment?

The PRESIDING OFFICER. The yeas and nays have not been ordered on that amendment.

Mr. LEAHY. I am not requesting them. I leave that to the Senator from Kansas. I just wanted to know the situation.

Mr. MCCONNELL. Mr. President, I request the yeas and nays on the Dole amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There does not appear to be a sufficient second.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that Senators

HELMS and MCCAIN be added as cosponsors to the Dole amendment.

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

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

The PRESIDING OFFICER (Mr. GRAHAM). Without objection, it is so ordered.

AMENDMENT NOS. 2247, 2248, 2249, 2250, 2251, AND 2252, EN BLOC

Mr. MCCONNELL. Mr. President, if the Senator from North Carolina will withhold briefly, under the unanimous-consent agreement under which we are operating, it is permissible for me to send to the desk some amendments on behalf of one of our colleagues to protect his opportunity to offer them.

So I have a series of amendments that Senator BROWN intends to offer. I send them to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment will be temporarily set aside for the purpose of receiving the amendments offered by the Senator from Kentucky.

Does the Senator seek unanimous consent to offer these en bloc?

Mr. MCCONNELL. Yes. I ask unanimous consent that they be offered en bloc and then laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for Mr. BROWN, proposes amendments numbered 2247 through 2252, en bloc.

AMENDMENT NO. 2247

(Purpose: To reduce appropriations under the account "International Organizations and Programs" which are available for the United Nations Development Program in order to bring the bill into compliance with the Budget Enforcement Act)

Mr. MCCONNELL offered amendment No. 2247 for Mr. BROWN.

The amendment is as follows:

On page 7, lines 7 and 8, strike "$382,000,000: *Provided*," and insert "$273,000,000: *Provided*, That not to exceed $12,000,000 of the funds appropriated under this heading shall be made available for the United Nations Development Program: *Provided further*,".

AMENDMENT NO. 2248 TO THE COMMITTEE AMENDMENT ON PAGE 2

(Purpose: To make Poland, Hungary, and the Czech Republic eligible for allied defense cooperation with NATO countries, and for other purposes)

Mr. MCCONNELL offered amendment No. 2248 for Mr. BROWN, for himself, Mr. SIMON, Mr. ROTH, Ms. MIKULSKI, Mr. DOLE, and Mr. DOMENICI.

The amendment is as follows:

At the end of the Committee amendment which ends on line 21 of page 2 of the bill, add the following new section:

SEC. . ADDITIONAL COUNTRIES ELIGIBLE FOR PARTICIPATION IN ALLIED DEFENSE COOPERATION.

(a) SHORT TITLE.—This section may be cited as the "NATO Participation Act".

(b) TRANSFER OF EXCESS DEFENSE ARTICLES.—The President may transfer excess defense articles under section 516 of the Foreign Assistance Act of 1961 or under the Arms Export Control Act to Poland, Hungary, and the Czech Republic.

(c) LEASES AND LOANS OF MAJOR DEFENSE EQUIPMENT AND OTHER DEFENSE ARTICLES.—Section 63(a)(2) of the Arms Export Control Act (22 U.S.C. 2796(b) is amended by striking "or New Zealand" and inserting "New Zealand, Poland, Hungary, or the Czech Republic".

(d) LOAN MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.—Section 65(d) of the Arms Export Control Act (22 U.S.C. 2796d(d)) is amended—

(1) by striking "or" after "United States)" and inserting a comma; and

(2) by inserting before the period at the end the following: ", Poland, Hungary, or the Czech Republic".

(e) COOPERATIVE MILITARY AIRLIFT AGREEMENTS.—Section 2350c(e)(1)(B) of title 10, United States Code, is amended by striking "and the Republic of Korea" and inserting "the Republic of Korea, Poland, Hungary, and the Czech Republic".

(f) PROCUREMENT OF COMMUNICATIONS SUPPORT AND RELATED SUPPLIES AND SERVICES.—Section 2350f(d)(1)(B) is amended by striking "or the Republic of Korea" and inserting "the Republic of Korea, Poland, Hungary, or the Czech Republic".

(g) STANDARDIZATION OF EQUIPMENT WITH NORTH ATLANTIC TREATY ORGANIZATION MEMBERS.—Section 2457 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) It is the sense of the Congress that in the interest of maintaining stability and promoting democracy in Eastern Europe, Poland, Hungary, and the Czech Republic, those countries should, on and after the date of enactment of this subsection, be included in all activities under this section related to the increased standardization and enhanced interoperability of equipment and weapons systems, through coordinated training and procurement activities, as well as other means, undertaken by the North Atlantic Treaty Organization members and other allied countries.".

(h) INCLUSION OF OTHER EUROPEAN COUNTRIES EMERGING FROM COMMUNIST DOMINATION.—The President should recommend legislation to the Congress making eligible under the provisions of law amended by this section such other European countries emerging from communist domination as the President may determine if such countries—

(1) have made significant progress toward establishing democratic institutions, free market economies, civilian control of their armed forces, and the rule of law; and

(2) are likely, within 5 years of such determination, to be in a position to further the principles of the North Atlantic Treaty and to contribute to the security of the North Atlantic area.

AMENDMENT NO. 2249

(Purpose: To freeze contributions to the International Development Association [IDA])

Mr. MCCONNELL offered amendment No. 2249 for Mr. BROWN.

The amendment is as follows:

On page 3, line 12 strike "$1,207,750,000" and insert "$1,024,332,000."

AMENDMENT NO. 2250

(Purpose: To maintain funding for the Global Environment Facility at FY 1994 level and to make the funds available pending certain reform measures)

Mr. MCCONNELL offered amendment No. 2250 for Mr. BROWN.

The amendment is as follows:

On page 3, line 6, strike $98,800,000, insert $30,000,000 and on page 105, line 16, insert the following:

(c) Funds appropriated by Title I of the Act under the heading "Limitation on Callable Capital Subscriptions" shall be available for payment to the IBRD for the Global Environmental Facility (GEF) as follows:

(1) 50 percent of the funds appropriated under such heading shall be made available prior to April 1, 1995 only if the Secretary of the Treasury makes the determination and so reports to the Committee on Appropriations as described in paragraph (3) of this subsection.

(2) 50 percent of the funds appropriated under such heading shall be made available on or after April 1, 1995 only if the Secretary of the Treasury makes the determination and so reports to the Committee on Appropriations as described in paragraph (3) of this subsection.

(3) The determinations referred to in paragraphs (1) and (2) are determinations that the GEF has:

(i) established clear procedures ensuring public availability of documentary information on all GEF projects and associated projects of the GEF implementing agencies.

(ii) established clear procedures ensuring that affected peoples in recipient countries are consulted on identification, preparation and implementation of GEF projects.

AMENDMENT NO. 2251

(Purpose: To establish an independent commission to study the salaries and benefits of the World Bank and the International Monetary Fund)

Mr. MCCONNELL offered amendment No. 2251 for Mr. BROWN.

The amendment is as follows:

At the end of the bill insert the following:

SEC. 576. LIMITATION ON USE OF FUNDS FOR CONTRIBUTION TO THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY.

(a) LIMITATION.—Not more than $20,000,000 of the amount appropriated under Title I under the heading "CONTRIBUTION TO THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY OF THE INTERNATIONAL MONETARY FUND" shall be available until the Bipartisan Commission described in subsection (b) submits the report described in subsection (c).

(b) BIPARTISAN COMMISSION.—There shall be established a bipartisan Commission whose members shall be appointed within two months of enactment of this Act to conduct a complete review of the salaries and benefits of World Bank and International Monetary Fund employees and their families. The Commission shall be composed of:

(i) 1 member appointed by the President;

(ii) 1 member appointed by the Speaker of the House of Representatives;

(iii) 1 member appointed by the Minority Leader of the House of Representatives;

(iv) 1 member appointed by the Majority Leader of the Senate;

(v) 1 member appointed by the Minority Leader of the Senate;

(vi) STAFF MEMBERS.—The U.S. Agency for International Development shall provide

funding for the hire of outside experts and shall provide expert AID staff members to the Commission as necessary.

(c) COVERED REPORT.—Within six months after appointment, the Commission shall submit a report to the President, the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee which includes the following:

(i) a review of the existing salary paid and benefits received by the employees of the World Bank and the IMF;

(ii) a review of all benefits paid by the World Bank and the IMF to family members and dependents of the employees of the World Bank and the IMF;

(iii) a review of all salary and benefits paid to employees and dependents of the World Bank and the IMF as compared to all salary and benefits paid to comparable positions for employees of U.S. banks.

AMENDMENT NO. 2252 TO THE COMMITTEE AMENDMENT ON PAGE 2

(Purpose: To make Poland, Hungary, and the Czech Republic eligible for allied defense cooperation with NATO countries, and for other purposes)

Mr. MCCONNELL offered amendment No. 2252 for Mr. BROWN, for himself, Mr. SIMON, Mr. ROTH, Ms. MIKULSKI, and Mr. DOLE.

The amendment is as follows:

On Page 2, line 21, after the period insert the following:

SEC. . ADDITIONAL COUNTRIES ELIGIBLE FOR PARTICIPATION IN ALLIED DEFENSE COOPERATION.

(a) SHORT TITLE.—This section may be cited as the "NATO Participation Act".

(b) TRANSFER OF EXCESS DEFENSE ARTICLES.—The President may transfer excess defense articles under the Foreign Assistance Act of 1961 or the Arms Export Control Act to Poland, Hungary, and the Czech Republic.

(c) LEASES AND LOANS OF MAJOR DEFENSE EQUIPMENT AND OTHER DEFENSE ARTICLES.—Section 63(a)(2) of the Arms Export Control Act (22 U.S.C. 2796b) is amended by striking "or New Zealand" and inserting "New Zealand, Poland, Hungary, or the Czech Republic".

(d) LOAN MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.—Section 65(d) of the Arms Export Control Act (22 U.S.C. 2796d(d)) is amended—

(1) by striking "or" after "United States)" and inserting a comma; and

(2) by inserting before the period at the end the following: ", Poland, Hungary, or the Czech Republic".

(e) COOPERATIVE MILITARY AIRLIFT AGREEMENTS.—Section 2350c(e)(1)(B) of title 10, United States Code, is amended by striking "and the Republic of Korea" and inserting "the Republic of Korea, Poland, Hungary, and the Czech Republic".

(f) PROCUREMENT OF COMMUNICATIONS SUPPORT AND RELATED SUPPLIES AND SERVICES. Section 2350f(d)(1)(B) is amended by striking "or the Republic of Korea" and inserting "the Republic of Korea, Poland, Hungary, or the Czech Republic".

(g) STANDARDIZATION OF EQUIPMENT WITH NORTH ATLANTIC TREATY ORGANIZATION MEMBERS.—Section 2457 of title 10, United States code, is amended by adding at the end of the following new subsection:

"(g) It is the sense of the Congress that in the interest of maintaining stability and promoting democracy in Eastern Europe, Poland, Hungary, and the Czech Republic, those countries should, on and after the date of enactment of this subsection, be included in all activities under this section related to the increased standardization and enhanced interoperability of equipment and weapons systems, through coordinated training and procurement activities, as well as other means, undertaken by the North Atlantic Treaty Organization members and other allied countries.".

(h) INCLUSION OF OTHER EUROPEAN COUNTRIES EMERGING FROM COMMUNIST DOMINATION.—The President should recommend legislation to the Congress making eligible under the provisions of law amended by this section such other European countries emerging from communist domination as the President may determine if such countries—

(1) have made significant progress toward establishing democratic institutions, free market economies, civilian control of their armed forces, and the rule of law; and

(2) are likely, within 5 years of such determination, to be in a position to further the principles of the North Atlantic Treaty and to contribute to the security of the North Atlantic area.

The PRESIDING OFFICER. Without objection, the amendments are received en bloc and the amendments have been set aside.

The business before the Senate is the amendment offered by the Senator from Kansas, Senator DOLE, and the Senator from Virginia, Senator WARNER.

Mr. LEAHY. Mr. President, parliamentary inquiry. The amendments sent up en bloc, am I correct in understanding these are sent to protect the rights of the Senator as related to the 6 p.m. Thursday deadline under the unanimous-consent agreement?

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. MCCONNELL. That was the intention of the Senator from Kentucky.

Mr. LEAHY. Also, further parliamentary inquiry, each one would have to be brought up and voted on individually in whatever fashion we do, either by voice vote, division, yeas and nays, or however they are voted on; is that correct?

The PRESIDING OFFICER. The Senator from Vermont is correct.

The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, I ask unanimous consent that it be in order for me to send to the desk nine amendments and that these nine amendments be deemed to have been offered en bloc; that each of the amendments be deemed to be a second-degree amendment to a committee amendment and that the nine amendments then be set aside; and further, that it be in order for me to call up each of them upon my having been duly recognized by the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object, and I will not object, am I correct, Mr. President, this also fulfills the unanimous-consent agreement of prior to 6 p.m. Thursday?

Mr. HELMS. That is correct.

Mr. LEAHY. And further reserving the right to object, and I shall not, am I also correct in understanding, even though these are nine amendments, the Senator from North Carolina would have to be recognized to speak in the normal course? In other words, it does not mean that he would automatically hold the floor through nine amendments but would have to be recognized in the normal course.

The PRESIDING OFFICER. Would the Senator from North Carolina restate the unanimous consent request?

Mr. HELMS. Certainly. But, first, Mr. President, if I may, let me respond to the question raised—and it is a good question—by the distinguished Senator from Vermont.

We are in a situation where we have a good faith gentleman's/lady's agreement that nobody will be cut off. I am trying to conform to the specific language of the unanimous-consent agreement that precipitated the problem. I think this unanimous-consent request, when I restate it, will take care of that. I may not call up these amendments, and I pledge to the managers of the bill that when I decide not to call up an amendment, if I decide not to call up an amendment, I will let you know.

Mr. LEAHY. If the Senator will further yield, as the Senator knows, as having experience as a manager, I always try to protect Senators.

I just wanted to make sure if, as we are going along on this, we are enabled to do other business in between these amendments. I do not want in any way to cut off the ability of the Senator from North Carolina or any other Senator to be able to bring up amendments and have them disposed of by the Senate if those amendments are filed prior to 6 o'clock tomorrow evening.

Mr. HELMS. I think I agree to that. I am not sure exactly what the Senator said.

Mr. LEAHY. I think the Senator will agree. I think we are both saying the same thing.

Mr. HELMS. I think so.

Mr. LEAHY. We just want to make sure we have room for everyone else to come in here also.

The PRESIDING OFFICER. The Chair would make the following parliamentary observation, that the amendments as offered would have to be considered or, if withdrawn, withdrawn under a unanimous-consent agreement.

Mr. LEAHY. I understand.

Mr. HELMS. Correct. Correct.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request as stated by the Senator from North Carolina? The Chair would ask again——

Mr. HELMS. Reserving the right to object, does the Presiding Officer want me to state it again?

The PRESIDING OFFICER. Yes. Will the Senator from North Carolina restate his unanimous-consent request.

Mr. HELMS. Once more, slowly and with not much of a Southern accent, if I can manage that, I ask unanimous consent that it be in order for me to send to the desk nine amendments and that these nine amendments be deemed to have been offered en bloc; that each of the amendments be deemed to be a second-degree amendment to a committee amendment, and that the nine amendments then be set aside and, further, that it be in order for me to call up each of these amendments upon my having been recognized by the Chair to do so.

Mr. LEAHY. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from North Carolina.

AMENDMENT NO. 2253 TO FIRST COMMITTEE AMENDMENT ON PAGE 2, LINE 12

(Purpose: To prohibit U.S. government intervention with respect to abortion laws or policies in foreign countries)

The PRESIDING OFFICER. Will the Senator from North Carolina send his amendments to the desk.

Mr. HELMS. What was the question?

The PRESIDING OFFICER. Will the Senator from North Carolina send his amendments to the desk.

Mr. HELMS. I am going to send the first one up, and then I will send the other eight during the time of consideration of this amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows.

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2253 to the first committee amendment on page 2, line 12:

The amendment is as follows:

At the end of the first committee amendment, add the following:

SEC. . NON-INTERVENTION CONCERNING ABORTION.

(a) CONGRESSIONAL DECLARATION.—The Congress recognizes that countries adhere to a diversity of cultural, religious, and legal traditions regarding the deliberate abortion of the human fetus.

(b) PROHIBITED ACTIVITIES.—Therefore, none of the funds appropriated by this Act may be used by any agency of the United States or any officer of the Executive Branch to—

(1) engage in any activity or effort to alter the laws or policies in effect in any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited;

(2) support any resolution or participate in any activity of a multilateral organization which seeks to alter such laws or policies in foreign countries; or

(3) permit any multilateral organization or private organization to use U.S. Government funds for such purposes.

(c) RULE OF STATUTORY CONSTRUCTION.—Nothing in this section may be construed to prevent—

(1) U.S. funds from being used to pay for treatment of injuries or illness caused by legal or illegal abortions; or

(2) agencies or offices of the United States from engaging in activities in opposition to policies of coercive abortion or involuntary sterilization.

Mr. HELMS. Mr. President, I had the amendment read in its entirety——

The PRESIDING OFFICER. If the Senator would withhold, the pending business before the Senate is the amendments offered by the Senator from Kansas and the Senator from Virginia. Does the Senator from North Carolina wish to ask unanimous consent——

Mr. HELMS. I thought those amendments had already been laid aside. Please forgive me.

The PRESIDING OFFICER. The amendments be laid aside?

Mr. HELMS. I ask unanimous consent that these amendments be laid aside temporarily so that these amendments can be considered.

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

Mr. HELMS. As I was saying, I asked the distinguished clerk to read the entire amendment because I think if ever an amendment spoke for itself, this one does. But let me elaborate just a little bit in terms of explaining the intent.

The pending amendment forbids the use of the taxpayers' money by any U.S. Government employee or by employees of multilateral organizations or by any private organization to lobby or otherwise engage in efforts to change any law regarding abortion in any foreign country.

Now, this means that no U.S. funds under this act can be used in an effort to make laws in foreign countries either more permissive or more restrictive. In other words, the United States should not be permitted to meddle in the affairs of other countries one way or another when it comes to abortions.

This amendment does not—let me repeat, does not—propose to prevent the use of funds to pay for treatment of injuries or illnesses caused by abortions, nor does it prohibit the United States from engaging in activities in opposition to policies of coercive abortion or involuntary sterilization. And, of course, I am in fact talking about Red China. The amendment merely prohibits the U.S. Government from using taxpayers' money to lobby foreign countries to change their laws on this subject, the subject of abortion.

Now, I am prompted to offer this amendment because I believe that most Americans are not aware of the hundreds of millions of dollars currently being spent by the United States on the so-called population control programs. Oftentimes, these programs do little more than browbeat countries into adopting policies which can be described only as social engineering.

So the pending amendment addresses an area where the administration has gone too far in its worldwide effort to pressure foreign countries into changing their abortion laws.

Now, bear in mind, Mr. President, that the United States gives away more foreign aid than most other countries combined. The U.S. Government pays the largest portion of any country to the United Nations. The United States is a key member of the U.N. Security Council. U.S. representatives cast deciding votes at multilateral banks and other international institutions. Not surprisingly, small countries fear reprisals from and by the United States if they do not comply with the proabortion policies of the present administration in Washington, DC.

My point is that foreign aid should never be used as either a carrot or a stick by this or any other administration, by any multilateral bank or by any international organization in an effort to promote worldwide legalization of abortion on demand. The President's policy of supporting abortion on demand is unpopular enough here at home without taking it overseas.

Mr. President, the American people will not, in my judgment, support a policy of pressuring foreign countries into changing their abortion laws one way or the other. It is wrong on its face. But this administration will hear the loudest complaints from the citizens of foreign countries. Take Egypt for example. Egypt is critically important to the United States. Ensuring that Egypt remains stable is vitally important to the United States, and we have spent billions of dollars to that end. Now, Egypt, as all Senators know, I assume, is a Moslem country with a large Coptic Christian population and it has laws protecting unborn children.

Egypt must also maintain relations with Islamic fundamentalists within its borders, and pressuring Egypt under those circumstances to liberalize its abortion laws is certainly a recipe for internal strife.

Such an effort by this administration, Mr. President, is just plain bad foreign policy. It makes no sense to undermine important U.S. interests around the world in order to satisfy the radical proabortion lobby in the United States. Mr. President, there is evidence that the administration is, indeed, engaged in a policy of pressuring countries to change their abortion laws. On March 16 of this year, Secretary Christopher sent a cable to all U.S. Embassies directing U.S. diplomats to pressure those countries to liberalize their abortion laws. And here is what the cable sent by Warren Christopher said:

The Department [meaning the U.S. State Department] wishes to reiterate that the Clinton administration views international population policy as a major issue in U.S. foreign policy. Accordingly, the advancement of U.S. population policy interests will require senior level diplomatic intervention to complement the more technical interventions which are conducted between assistance agencies.

So that there will be absolutely no doubt about the administration's policy, Secretary Christopher's cable went on to say—this cable was sent on March 16 of this year. The cable says:

A comprehensive strategy begins with the need to ensure universal access to family planning and related reproductive health services, including access to safe abortions. The United States believes that access to safe, legal and voluntary abortion is a fundamental right of all women. The United States delegation to the U.S. Population Conference in Cairo will also be working for stronger language on the importance of access to abortion services.

That was Warren Christopher in the cable that he sent on March 16.

If those statements by Secretary of State Christopher do not make it sufficiently clear that a proabortion agenda is being pursued, then consider that on April 1, 1993—that happened to be April Fool's Day—White House spokesman Dee Dee Myers said that the administration regards abortion as "part of the overall approach to population control." I do not think it can be made more clear than that, Mr. President.

In any case, the administration plans to use the upcoming Conference on Population and Development in Cairo to pressure foreign countries into liberalizing their abortion laws. It is outrageous for the U.S. Government to demand that foreign governments at the conference change their abortion laws.

Citizens of Argentina, Egypt, Namibia have never elected Bill Clinton to anything. And U.S. officials have no right to demand that these countries change their laws regarding the most sensitive of issues in their own countries.

After Mr. Clinton visited with the Pope on June 2, he stated:

The United States does not, and will not, support abortion as a means of birth control or population control.

Those are the direct words from Mr. Clinton. Mr. Clinton said that in one breath and yet at the same time his State Department is right now pursuing a policy to promote abortion as part of—here I am quoting directly from the cable—"the advancement of U.S. population policy interests."

Unfortunately, to date there is little or nor correlation between the President's rhetoric and the direction his administration has taken on international abortion advocacy. I hate to say this, but the President tries to be all things to all people. But it is evident that he has aligned himself with the most radical elements of the proabortion movement in the United States of America, which brings to mind Mother Teresa's eloquent speech condemning abortion at this year's National Prayer Breakfast, with President Clinton sitting no more than 6 feet to her right. That marvelous lady, let me quote her—

The greatest destroyer of peace today is abortion. Any country that accepts abortion is not teaching the people to love but to use violence to get what they want.

That is the end of the quote of Mother Teresa.

In the face of enthusiastic policy supporting Mother Teresa's brave statement, President Clinton sat on his hands. He did not applaud.

I also find it difficult to forget that one of the first things Mr. Clinton did after his inauguration was to obliterate many of the protections that the pro-life movement had won for unborn children during the past several years. It is demonstrable that the President is in the corner of the proabortion crowd. Just the same, Mr. President, it makes no sense for the U.S. Government using the American taxpayers' money to entangle itself in such a sensitive issue in foreign countries where the governments and the people do not agree with Bill Clinton.

If a sovereign nation has a greater respect for unborn babies than Mr. Clinton does, and if a foreign nation chooses to enact laws to protect the rights of the unborn, is it not morally indefensible, is it not atrocious foreign policy, is it not obviously arrogant for this administration to pressure these countries to change their laws to suit Mr. Clinton and his administration on this sensitive subject?

Mr. President, I have a bunch of letters here that I want to have printed in the RECORD.

I ask unanimous consent that letters opposing President Clinton's advocacy of worldwide abortion on demand be printed in the RECORD.

The first is signed by the following Protestant leaders: Chuck Colson, chairman of the Prison Fellowship; James Dobson, of the Focus on the Family; Joseph Stowell, of Moody Bible Institute; Charles Swindoll, president of Insight for Living; Edwin Young, of the Southern Baptist Convention; Paul Cedar, of the Evangelical Free Church of America; Billy Melvin, executive director of the National Association of Evangelicals; Dr. James Kennedy, pastor of the Coral Ridge Presbyterian Church; Dr. Brandt Gustavson, president of the National Religious Broadcasters; Dr. William Bright, of the Campus Crusade for Christ; and Rev. John Perkins, president of the John Perkins Foundation for Reconciliation and Development.

I ask unanimous consent that this letter be printed in the RECORD at this point.

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

APRIL 22, 1994.

President WILLIAM J. CLINTON,
The White House, 1600 Pennsylvania Avenue, NW., Washington, DC.

DEAR MR. PRESIDENT: We are sending you this open letter to express our deep concern over the State Department's cable last month to all diplomatic and consular posts asking them to pressure foreign governments to support greater abortion availability in the United Nations population-stabilization plan. The cable described access to legal abortion as a "fundamental right of all women."

Mr. President, this is an unprecedented misuse of our diplomatic corps for political ends. We can think of no other time in history when American embassies were used to promote a domestic social agenda—particularly one that has bitterly divided our own people for more than two decades. The majority of Americans do not accept abortion as a "fundamental right."

Moreover, the countries that the State Department is pressuring to embrace liberalized abortion policies, often in violation of their own laws, deeply resent what they rightly regard as cultural imperialism. The citizens of Africa, Asia, Central America, and South America are offended that the United States would urge them to refashion their own social policies to "look like America."

Apart from the moral issue, which we consider paramount, how can we urge greater access to abortion in countries that often do not have antibiotics, ultrasound machines, or even sterile operating rooms? At a press conference on Capitol Hill, Dr. Margaret Ogola from Kenya pointed out that in remote regions of her country, clinics often lack life-saving medications, such as penicillin. If a surgical procedure like abortion were introduced into these regions, the result would be massive infections and death. Surely the United Nation's plan to slow population growth does not include mothers dying on unsafe operating tables.

Mr. President, we remind you of the words of Mother Teresa that you yourself heard a few weeks ago at the National Prayer Breakfast. This tiny woman has spent her life working among the world's poor and understands their needs far better than any of us do. She said: "the greatest destroyer of peace today is abortion. * * * Any country that accepts abortion is not teaching the people to love but to use any violence to get what they want."

In a recent interview with Peggy Wehmeyer of ABC News, you stated, "I think there are too many abortions in America. I think there should be more adoptions in America." During your campaign you proclaimed that abortions should be "safe, legal and *rare*." How can these statements be reconciled with your cable to our embassies, directing them to promote abortions world wide? How do they square with your allocation of federal dollars to agencies that perform or support abortions internationally? A chasm exists between your public pronouncements and the quieter actions of your Administration. We plead with you, Mr. President, not to make the United States an exporter of violence and death. Instead, we urge you to maintain our heritage as a beacon of morality and hope to the poor and suffering of the world.

We respectfully ask that you direct the State Department to rescind last month's directive pressuring foreign governments to accept abortion on demand. America is at its best when we respect other nations' desire to nurture life, not destroy life.

Respectfully,

Charles W. Colson, Dr. Charles Swindoll, Dr. Billy A. Melvin, Dr. William R. Bright, Dr. James C. Dobson, Dr. Edwin Young, Dr. D. James Kennedy, Rev. John M. Perkins, Dr. Joseph M. Stowell, Dr. Paul A. Cedar, Dr. Brandt Gustavson.

Mr. HELMS. Mr. President, the second letter to which I referred a moment ago is signed by the following leaders of the Catholic Church: the Archbishop of Washington, Cardinal Hickey; the Archbishop of Chicago,

Cardinal Berenardin; the Archbishop of Boston, Cardinal Law; the Archbishop of New York, Cardinal O'Connor; the Archbishop of Philadelphia, Cardinal Bevilacqua; the Archbishop of Los Angeles, Cardinal Mahony; the Archbishop of Baltimore and the president of the National Conference of Catholic Bishops, the Most Reverend William Keeler.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

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

ARCHDIOCESE OF WASHINGTON,
Washington, DC, May 28, 1994.

THE PRESIDENT OF THE UNITED STATES,
The White House, Washington, DC.

DEAR MR. PRESIDENT: As plans proceed for the International Conference on Population and Development at Cairo in September, we write with great urgency as leaders of the Catholic Church in our nation concerning your Administration's promotion of abortion, contraception, sterilization and the redefinition of the family.

We speak, Mr. President, not only for Catholics throughout the United States but also for many other people of good will. We are looking for leadership that truly respects the dignity of innocent human life and recognizes the fundamental importance of the family for the development of nations and individual persons. We are calling for policies which promote sound economic and social development throughout the world precisely because they recognize the indispensable role of the family and respect the innate dignity and rights of each person.

There is a broad consensus in our country that abortion on demand is morally repugnant. With millions of people representing all faiths, we recognize that abortion destroys not only the child in the womb but also creates untold conflict in the lives of millions of women. Abortion cheapens human life, tears apart families and contributes to the violence that plagues our culture. However cleverly the current Cairo document may be crafted, in fact it continues to advocate abortion as a way of controlling population growth and promiscuity.

Mr. President, we urge you to shun the advice of those who would apply pressure on developing nations to mandate abortion as a condition for receiving aid from other countries. Do not allow our country to participate in trampling the rights and religious values of people around the world. Please recognize that abortion is not a legitimate way to control population and that it does not improve women's lives. There is no such thing as a "safe" abortion; whether legal or not, abortion is lethal for the child and destructive of the mother and society.

The Draft Final Document of the Cairo Conference, with the support of the United States, also advocates the world-wide distribution of artificial contraceptives and the increased practice of sterilization which will have the effect of promoting a self-centered and casual view of human sexuality, an approach so destructive of family life and the moral fiber of society. When the United States supports such measures for unmarried adolescents as well as adults, what ideals are we holding up to young people? How are we helping them develop authentic values and that mastery of self which is the calling of every human being? As we prepare for tomorrow, we dare not take the course of least resistance today!

So also, when our government advocates population control through abortion, contraception and sterilization, it is not a force for freedom but an agent of coercion. Sadly it appears that the United States is urging developing countries to adopt population control programs that will interfere with the rights of couples to make responsible and moral family planning decisions. Couples in poor countries will find themselves at the mercy of government officials and programs that have no real regard for the dignity of the human person. They will face the prospect of government agencies providing abortion and contraceptives for their adolescent children with utterly no regard for parental authority and responsibility. At the same time, such policies could be insensitive to the existing realities of strong family life in many of those countries. As you have stated, Mr. President, "families raise children, not governments."

Even if such coercive population control measures would lead to economic growth and development, they would still be morally objectionable. In fact, however, there is no proof that enforced population control will bring about economic development in the Third World. What will help poor nations develop their full potential is not pressure from the First World for population control but rather a greater commitment on the part of wealthy nations to foster sustainable economic growth in Third World countries. That is the kind of constructive leadership we should expect from our country!

The Cairo Conference represents a golden opportunity for nations to come together to improve the lives of people throughout the world. That improvement will come only if the participants have the vision and moral courage to recognize that the future of humanity lies in strong, stable families. Time and time again, the bishops of the United States have shared with you our alarm over Administration policies and statements that place non-marital sexual relationships on a par with marriage and family. Archbishop Keeler, President of the National Conference of Catholic Bishops, has pointed out the dangers in such positions in a personal letter to Secretary of State Christopher. Sadly, however, the United States' participation in the preparatory meeting of the Cairo Conference mirrored Administration policies and positions by advocating "a plurality of family forms."

The United States is doing the world no favor by exporting a false ideology which claims that any type of union, permanent or temporary, is as good as the traditional family. There is mounting evidence that being part of an intact, traditional family or an extended family helps children grow into emotionally well-adjusted and productive citizens. While it is true that many single parents do an admirable job of raising their children, nonetheless we owe it to the children of our country and of the world to encourage stable, intact two-parent families. Mr. President, we wholeheartedly agree with what you said in your 1994 State of the Union address: "we cannot renew our country when, within a decade, more than half of the children will be born into families where there is no marriage." We hasten to add that we will never develop and renew our world by encouraging substitutes for marriage and family life.

Mr. President, the United States' delegation to the Cairo Conference will have enormous influence; it will represent the power, prestige and influence of the United States among the family of nations. We ask you, as the leader of our country, to steer our nation away from promoting an agenda so destructive of our own society and of the nations of the world. We thank you for your attention to the pressing concerns we have shared with you in loyalty to our country and to the many citizens whom we serve.

I sign, Mr. President, for myself and for the following Cardinal-Archbishops of the United States listed below, who, together with the President of the United States Conference of Catholic Bishops, have explicitly authorized this letter.

Sincerely,

James Cardinal Hickey, Archbishop of Washington; Joseph Cardinal Bernardin, Archbishop of Chicago; Bernard Cardinal Law, Archbishop of Boston; John Cardinal O'Connor, Archbishop of New York; Anthony Cardinal Bevilacqua, Archbishop of Philadelphia; Roger Cardinal Mahony, Archbishop of Los Angeles; Most Rev. William H. Keeler, Archbishop of Baltimore, President, National Conference of Catholic Bishops.

Mr. HELMS. Mr. President, in very brief summary, this amendment now pending prohibits using foreign aid money provided by the U.S. taxpayers to lobby foreign countries to change their abortion laws. It does not—I repeat, does not—prohibit funds from being used to pay for treatment of injuries or illnesses caused by abortion. And it does not prohibit funds from being used to oppose policies of coercive abortion or sterilization, such as is going on in Communist China.

Mr. President, before I yield the floor, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. When my unanimous-consent request was agreed to, I mentioned nine amendments. One is pending, and there are eight others, one of which I will not be able to offer until tomorrow.

AMENDMENTS NOS. 2254, 2255, 2256, 2257, 2258, 2259 AND 2260, EN BLOC

Mr. HELMS. Mr. President, I send seven amendments to the desk, en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes amendments numbered 2254, 2255, 2256, 2257, 2258, 2259, and 2260, en bloc.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 2254

(Purpose: To prohibit the availability of funds for the U.N. Development Program)

On page 8, line 22, before the period insert the following: "*Provided further*, That none of the funds appropriated under this heading

shall be made available for the United Nations Development Program".

AMENDMENT NO. 2255

(Purpose: To prohibit the use of funds for the foreign governments engaged in espionage against the United States)

At the appropriate place in the bill, insert the following:

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS ENGAGED IN ESPIONAGE AGAINST THE UNITED STATES

SEC. . (a) None of the funds appropriated by this Act (other than for humanitarian assistance or assistance for refugees) may be provided to any foreign government which the President determines is engaged in intelligence activities within the United States harmful to the national security of the United States.

AMENDMENT NO. 2256

(Purpose: To prohibit funds for Russia while that country is not in compliance with the Biological Weapons Convention, and for other purposes)

At the appropriate place in the bill, insert the following:

SEC. . RUSSIAN CHEMICAL AND BIOLOGICAL WEAPONS PRODUCTION.

None of the funds appropriated or otherwise made available under this Act may be made available in any fiscal year for Russia (other than humanitarian assistance) unless the President has certified to the Congress not more than 6 months in advance of the obligation or expenditure of such funds that Russia is in compliance with the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, and has disclosed the existence of its binary chemical weapons program (as required under the memorandum of understanding regarding a bilateral verification experiment and data exchange related to prohibition of chemical weapons) and the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction.

AMENDMENT NO. 2257

(Purpose: To limit the provision of assistance to Nicaragua)

At the appropriate place in the first Committee amendment add the following: On page 93, between lines 13 and 14, insert the following:

(1) a full and independent investigation conducted relating to issues raised by the discovery, after the May 23 explosion in Managua, of weapons caches, false passports, identity papers and other documents, suggesting the existence of a terrorist/kidnapping ring;

On page 93, line 22, strike out "(2)" and insert in lieu thereof "(3)".

On page 93, line 24, strike out "(3)" and insert in lieu thereof "(4)".

On page 94, line 4, strike out "(4)" and insert in lieu thereof "(5)".

On page 94, line 8, strike out "(5)" and insert in lieu thereof "(6)".

On page 94, line 11, strike out "(6)" and insert in lieu thereof "(7)".

AMENDMENT NO. 2258

(Purpose: To limit the authority to reduce U.S. government debt to certain countries)

On page 98, line 24 strike out "and" and all that follows through page 99, line 3, and insert in lieu thereof the following:

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) has not nationalized, expropriated, or otherwise seized ownership or control of property owned by any United States person and has not either—

(A) returned the property;

(B) provided adequate and effective compensation for such property in convertible foreign exchange or other mutually accepted compensation equivalent to the full value thereof, as required by international law;

(C) offered a domestic procedure providing prompt, adequate and effective compensation in accordance with international law; or

(D) submitted the dispute to arbitration under the rules of the Convention for the Settlement of Investment disputes or other mutually agreeable binding international arbitration procedure.

AMENDMENT NO. 2259

(Purpose: To provide conditions for renewing nondiscriminatory (most-favored-nation) treatment for the People's Republic of China)

At the end of the amendment, insert the following:

On page 112, between lines 9 and 10, insert:

TITLE VI—MOST-FAVORED-NATION TREATMENT FOR PEOPLE'S REPUBLIC OF CHINA

SEC. 601. SHORT TITLE.

This title may be cited as the "United States-China Act of 1994".

SEC. 602. FINDINGS AND POLICY.

(a) FINDINGS.—The Congress makes the following findings:

(1) In Executive Order 12850, dated May 28, 1993, the President established conditions for renewing most-favored-nation treatment for the People's Republic of China in 1994.

(2) The Executive order requires that in recommending the extension of most-favored-nation trade status to the People's Republic of China for the 12-month period beginning July 3, 1994, the Secretary of State shall not recommend extension unless the Secretary determines that such extension substantially promotes the freedom of emigration objectives contained in section 402 of the Trade Act of 1974 (19 U.S.C. 2432) and that China is complying with the 1992 bilateral agreement between the United States and China concerning export to the United States of products made with prison labor.

(3) The Executive order further requires that in making the recommendation, the Secretary of State shall determine if China has made overall significant progress with respect to—

(A) taking steps to begin adhering to the Universal Declaration of Human Rights;

(B) releasing and providing an acceptable accounting for Chinese citizens imprisoned or detained for the nonviolent expression of their political and religious beliefs, including such expressions of beliefs in connection with the Democracy Wall and Tiananmen Square movements;

(C) ensuring humane treatment of prisoners, and allowing access to prisons by international humanitarian and human rights organizations;

(D protecting Tibet's distinctive religious and cultural heritage; and

(E) permitting international radio and television broadcasts into China.

(4) The Executive order requires the executive branch to resolutely pursue all legislative and executive actions to ensure that China abides by its commitments to follow fair, nondiscriminatory trade practices in dealing with United States businesses and adheres to the Nuclear Nonproliferation Treaty, the Missile Technology Control Regime guidelines and parameters, and other nonproliferation commitments.

(5) The Government of the People's Republic of China, a member of the United Nations Security Council obligated to respect and uphold the United Nations charter and Universal Declaration of Human Rights, has over the past year made less than significant progress on human rights. The People's Republic of China has released only a few prominent political prisoners and continues to violate internationally recognized standards of human rights by arbitrary arrests and detention of persons for the nonviolent expression of their political and religious beliefs.

(6) The Government of the People's Republic of China has not allowed humanitarian and human rights organizations access to prisons.

(7) The Government of the People's Republic of China has refused to meet with the Dalai Lama, or his representative, to discuss the protection of Tibet's distinctive religious and cultural heritage.

(8) It continues to be the policy and practice of the Government of the People's Republic of China to control all trade unions and suppress and harass members of the independent labor union movement.

(9) The Government of the People's Republic of China continues to restrict the activities of accredited journalists and Voice of America broadcasts.

(10) The People's Republic of China's defense industrial trading companies and the People's Liberation Army engage in lucrative trade relations with the United States and operate lucrative commercial businesses within the United States. Trade with and investments in the defense industrial trading companies and the People's Liberation Army are contrary to the national security interests of the United States.

(11) The President has conducted an intensive high-level dialogue with the Government of the People's Republic of China, including meeting with the President of China, in an effort to encourage that government to make significant progress toward meeting the standards contained in the Executive order for continuation of most-favored-nation treatment.

(12) The Government of the People's Republic of China has not made overall significant progress with respect to the standards contained in the President's Executive Order 12850, dated May 28, 1993.

(b) POLICY.—It is the policy of the Congress that, since the President has recommended the continuation of the waiver under section 402(d) of the Trade Act of 1974 for the People's Republic of China for the 12-month period beginning July 3, 1994, such waiver shall not provide for extension of nondiscriminatory trade treatment to goods that are produced, manufactured, or exported by the People's Liberation Army or Chinese defense industrial trading companies or to nonqualified goods that are produced, manufactured, or exported by state-owned enterprises of the People's Republic of China.

SEC. 603. LIMITATIONS ON EXTENSION OF NONDISCRIMINATORY TREATMENT.

(a) IN GENERAL.—Notwithstanding any other provision of law—

(1) if nondiscriminatory treatment is not granted to the People's Republic of China by

reason of the enactment into law of a disapproval resolution described in subsection (b)(1), nondiscriminatory treatment shall—

(A) continue to apply to any good that is produced or manufactured by a person that is not a state-owned enterprise of the People's Republic of China, but

(B) not apply to any good that is produced, manufactured, or exported by a state-owned enterprise of the People's Republic of China,

(2) if nondiscriminatory treatment is granted to the People's Republic of China for the 12-month period beginning on July 3, 1994, such nondiscriminatory treatment shall not apply to—

(A) any good that is produced, manufactured, or exported by the People's Liberation Army or a Chinese defense industrial trading company, or

(B) any nonqualified good that is produced, manufactured, or exported by a state-owned enterprise of the People's Republic of China, and

(3) if nondiscriminatory treatment is or is not granted to the People's Republic of China, the Secretary of the Treasury should consult with leaders of American businesses having significant trade with or investment in the People's Republic of China, to encourage them to adopt a voluntary code of conduct that—

(A) follows internationally recognized human rights principles,

(B) ensures that the employment of Chinese citizens is not discriminatory in terms of sex, ethnic origin, or political belief,

(C) ensures that no convict, forced, or indentured labor is knowingly used,

(D) recognizes the rights of workers to freely organize and bargain collectively, and

(E) discourages mandatory political indoctrination on business premises.

(b) DISAPPROVAL RESOLUTION.—

(1) IN GENERAL.—For purposes of this section, the term "resolution" means only a joint resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress does not approve the extension of the authority contained in section 402(c) of the Trade Act of 1974 recommended by the President to the Congress on _____ with respect to the People's Republic of China because the Congress does not agree that the People's Republic of China has met the standards described in the President's Executive Order 12850, dated May 28, 1993.", with the blank space being filled with the appropriate date.

(2) APPLICABLE RULES.—The provisions of sections 153 (other than paragraphs (3) and (4) of subsection (b)) and 402(d)(2) (as modified by this subsection) of the Trade Act of 1974 shall apply to a resolution described in paragraph (1).

(c) DETERMINATION OF STATE-OWNED ENTERPRISES AND CHINESE DEFENSE INDUSTRIAL TRADING COMPANIES.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall determine which persons are state-owned enterprises of the People's Republic of China and which persons are Chinese defense industrial trading companies for purposes of this title. The Secretary shall publish a list of such persons in the Federal Register.

(2) PUBLIC HEARING.—

(A) GENERAL RULE.—Before making the determination and publishing the list required by paragraph (1), the Secretary of the Treasury shall hold a public hearing for the purpose of receiving oral and written testimony regarding the persons to be included on the list.

(B) ADDITIONS AND DELETIONS.—The Secretary of the Treasury may add or delete persons from the list based on information available to the Secretary or upon receipt of a request containing sufficient information to take such action.

(3) DEFINITIONS AND SPECIAL RULES.—For purposes of making the determination required by paragraph (1), the following definitions apply:

(A) CHINESE DEFENSE INDUSTRIAL TRADING COMPANY.—The term "Chinese defense industrial trading company"—

(i) means a person that is—

(I) engaged in manufacturing, producing, or exporting, and

(II) affiliated with or owned, controlled, or subsidized by the People's Liberation Army, and

(ii) includes any person identified in the United States Defense Intelligence Agency publication numbered VP-1920-271-90, dated September 1990.

(B) PEOPLE'S LIBERATION ARMY.—The term "People's Liberation Army" means any branch or division of the land, naval, or air military service or the police of the Government of the People's Republic of China.

(C) STATE-OWNED ENTERPRISE OF THE PEOPLE'S REPUBLIC OF CHINA.—(i) The term "state-owned enterprise of the People's Republic of China" means a person who is affiliated with or wholly owned, controlled, or subsidized by the Government of the People's Republic of China and whose means of production, products, and revenues are owned or controlled by a central or provincial government authority. A person shall be considered to be state-owned if—

(I) the person's assets are primarily owned by a central or provincial government authority;

(II) a substantial proportion of the person's profits are required to be submitted to a central or provincial government authority;

(III) the person's production, purchases of inputs, and sales of output, in whole or in part, are subject to state, sectoral, or regional plans; or

(IV) a license issued by a government authority classifies the person as state-owned.

(ii) Any person that—

(I) is a qualified foreign joint venture or is licensed by a governmental authority as a collective, cooperative, or private enterprise; or

(II) is wholly owned by a foreign person,

shall not be considered to be state-owned.

(D) QUALIFIED FOREIGN JOINT VENTURE.—The term "qualified foreign joint venture" means any person—

(i) which is registered and licensed in the agency or department of the Government of the People's Republic of China concerned with foreign economic relations and trade as an equity, cooperative, contractual joint venture, or joint stock company with foreign investment;

(ii) in which the foreign investor partner and a person of the People's republic of China share profits and losses and jointly manage the venture;

(iii) in which the foreign investor partner holds or controls at least 25 percent of the investment and the foreign investor partner is not substantially owned or controlled by a state-owned enterprise of the People's Republic of China;

(iv) in which the foreign investor partner is not a person of a country the government of which the Secretary of State has determined under section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)) to have repeatedly provided support for acts of international terrorism; and

(v) which does not use state-owned enterprises of the People's Republic of China to export its goods or services.

(E) PERSON.—The term "person" means a natural person, corporation, partnership, enterprise, instrumentality, agency, or other entity.

(F) FOREIGN INVESTOR PARTNER.—The term "foreign investor partner" means—

(i) a natural person who is not a citizen of the People's Republic of China; and

(ii) a corporation, partnership, instrumentality, enterprise, agency, or other entity that is organized under the laws of a country other than the People's Republic of China and 50 percent or more of the outstanding capital stock or beneficial interest of such entity is owned (directly or indirectly) by natural persons who are not citizens of the People's Republic of China.

(G) NONQUALIFIED GOOD.—The term "nonqualified good" means a good to which chapter 39, 44, 48, 61, 62, 64, 70, 73, 84, 93, or 94 of the Harmonized Tariff Schedule of the United States applies.

(H) CONVICT, FORCED, OR INDENTURED LABOR.—The term "convict, forced, or indentured labor" has the meaning given such term by section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

(I) VIOLATIONS OF INTERNATIONALLY RECOGNIZED STANDARDS OF HUMAN RIGHTS.—The term "violations of internationally recognized standards of human rights" includes but is not limited to, torture, cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges and trial, causing the disappearance of persons by abduction and clandestine detention of those persons, secret judicial proceedings, and other flagrant denial of the right to life, liberty, or the security of any person.

(J) MISSILE TECHNOLOGY CONTROL REGIME.—The term "Missile Technology Control Regime" means the agreement, as amended, between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan, announced on April 16, 1987, to restrict sensitive missile-relevant transfers based on an annex of missile equipment and technology.

(d) SEMIANNUAL REPORTS.—The Secretary of the Treasury shall, not later than 6 months after the date of the enactment of this Act, and the end of each 6-month period occurring thereafter, report to the Congress on the efforts of the executive branch to carry out subsection (c). The Secretary may include in the report a request for additional authority, if necessary, to carry out subsection (c). In addition, the report shall include information regarding the efforts of the executive branch to carry out subsection (a)(3).

SEC. 604. PRESIDENTIAL WAIVER.

The President may waive the application of any condition or prohibition imposed on any person pursuant to this title, if the President determines and reports to the Congress that the continued imposition of the condition or prohibition would have a serious adverse effect on the vital national security interests of the United States.

SEC. 605. REPORT BY THE PRESIDENT.

If the President recommends in 1995 that the waiver referred to in section 602 be continued for the People's Republic of China, the President shall state in the document required to be submitted to the Congress by section 402(d) of the Trade Act of 1974, the extent to which the Government of the People's Republic of China has made progress

during the period covered by the document, with respect to—

(1) adhering to the provisions of the Universal Declaration of Human Rights,

(2) ceasing the exportation to the United States of products made with convict, force, or indentured labor,

(3) ceasing unfair and discriminatory trade practices which restrict and unreasonably burden American business, and

(4) adhering to the guidelines and parameters of the Missile Technology Control Regime, the controls adopted by the Nuclear Suppliers Group, and the controls adopted by the Australia Group.

SEC. 606. SANCTIONS BY OTHER COUNTRIES.

If the President decides not to seek a continuation of a waiver in 1995 for the People's Republic of China under section 402(d) of the Trade Act of 1974, the President shall, during the 30-day period beginning on the date that the President would have recommended to the Congress that such a waiver be continued, undertake efforts to ensure that members of the General Agreement on Tariffs and Trade take a similar action with respect to the People's Republic of China.

AMENDMENT NO. 2260

At the appropriate place in the bill, insert the following new section:

SEC. . AMBASSADORIAL RANK FOR HEAD OF UNITED STATES DELEGATION TO THE CSCE.

The United States delegation to the Conference on Security and Cooperation in Europe shall be headed by an individual who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall have the rank of ambassador.

The PRESIDING OFFICER. Does the Senator from North Carolina seek further unanimous consent to submit his ninth amendment at a later time, prior to 6 p.m. tomorrow?

Mr. HELMS. Let me have a few moments. First, I will suggest the absence——

Mr. LEAHY. If the Senator will withhold that, I will chat about the pending amendment. I think I know what the Senator wants to do, and I am going to be in agreement with him on it. I just say this about the amendment now pending, on which the yeas and nays have been ordered, it is one of those amendments that looks harmless enough on the surface. But it is so broadly written that it can be construed to prevent the United States from even participating in the world population conference in Cairo in September.

I understand that some probably feel that should be our policy. I am not one who feels that way. It is a conference that we ought to be able to participate in. If they had the Cairo conference and they came out with a resolution that called for a reduction in unsafe abortions worldwide, technically, under this amendment, the United States could not even join that, join in an effort to cut the number of unsafe abortions. Obviously, we do not want to do that. We do want, however, to be able to at least talk about the question of population.

I look at the foreign aid legislation before us, and in many parts of the world it is but a drop in the bucket because of unchecked population. From the time I was born, the world population has almost tripled. Can you imagine that? For thousands and thousands of years the world population was at a certain level. It went from 2.5 to 5.7 billion. In the middle of the next century, it can double again. We know what this means—the kind of pressures brought on areas with tragic ecosystems, and pressure on the environment, and the ability to raise food in this world.

We have 19 million refugees in the world today. That is almost 35 times the population of my own State of Vermont. What is going to happen is, there is going to be twice the mouths to feed in the world by the middle of the next century. Can you imagine the number of refugees we will have?

Today, there are half a million women who die each year of pregnancy-related causes, and many are in the developing world. Up to one-third are from septic or incomplete abortions. We have to find better ways of population control than abortion. Certainly, concerning the world population, for instance, the conference in Cairo can look at such issues.

But this amendment would stop the administration from calling for a reduction in unsafe abortions, or if the administration wanted to sign on to agreements to cut the number of unsafe abortions, it could not do it under this amendment. In fact, it could not contribute to any multilateral organization that wanted to do that. We would be precluded from reproductive health services for women.

The President has said time and again that the administration does not support abortion as a method of family planning. We have carefully crafted our legislation in the past to keep from doing that. He has said that abortion should be safe and legal and rare. If it does exist, it should be safe. One of the central goals in Cairo is to promote alternatives to abortion.

No one is telling any other country to change their laws. We could not do that. Sometimes what goes on is, in resolutions we ask other countries to change their laws. This is not one of them. We cannot do that and will not do that. Every country has to decide ultimately what its laws should be. The Cairo document says just that. But what you do by a resolution like this is you so tie the United States hands that we cannot even go out and explore alternatives to abortion. We cannot explore ways of getting rid of the unsafe abortions.

The PRESIDING OFFICER. The Chair has a parliamentary inquiry of the Senator from North Carolina as to whether he wishes to modify his unanimous-consent request to incorporate the fact that the amendment that would be offered to complete his en bloc nine amendments at a later date, prior to 6 p.m. on Thursday?

Mr. HELMS. I thought we had said that. If I am mistaken——

The PRESIDING OFFICER. The inquiry was made earlier, but there was not a response as to whether that was the Senator's intention.

Mr. HELMS. Sure.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

Mr. HELMS. Mr. President, it gives me no pleasure to disagree with my friend from Vermont, but I simply do not understand what amendment he was talking about in his comments just now. He was not talking about the pending amendment, because the amendment speaks for itself, and I will be glad to read it to him. But I hope that will not be necessary.

If he is really defending the use of the American taxpayers' money to force or to pressure any foreign country, such as Egypt and many other countries that have strict religious rules against the deliberate destruction of innocent human life—which is what abortion is—then we part company.

The amendment does not say anything about the nicety of population control, even though population control has taken on sort of a gruesome meaning in later years. But I will say to the Senator from Vermont that this amendment says what it says. It says that the taxpayers' money shall not be used in any attempt to force a foreign country to change its position or its laws relative to abortion one way or another, to liberalize it, or to restrict it.

That is all the amendment says.

I think it is indefensible for the administration to try to do otherwise with the taxpayers' money.

I understand that the Clinton administration is all gung-ho for abortion. Kill them all. Get rid of them. That is the way to control population.

That is not what Mother Tereas said, and that is not what a number of the rest of us have said far less eloquently than the way Mother Teresa said it.

I suggest the absence of a quorum.

Mr. LEAHY. Mr. President, will the Senator withhold that?

The PRESIDING OFFICER. Does the Senator withhold.

Mr. LEAHY. Yes.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, it seems we are talking a little at cross-purposes here.

But, one, I will not accept the fact that the Clinton administration has said let us go kill them all. I do not know of any administration—I have served here with five administrations, Republican and Democratic—that has taken that attitude. I certainly do not attribute it to the Clinton administration any more than I would the Bush,

Reagan, Carter, or Ford administrations, the administrations that I have served with.

What I am concerned about is this would stop any participation in the world population conference in Cairo this September. That may or may not have been the intention of the proponent of the amendment. It is certainly the position of some who support it.

It says that the United States cannot support any resolution or participation in any activity of a multilateral organization that seeks to alter such laws or policies in foreign countries.

In other words, should a multilateral organization try to get countries to stop abortion as a means of birth control, we could not join in that. The U.S. policy is and always has been that abortion is not a method of birth control. We have also tried to make it clear that where abortion is legal that abortion be safe.

That is the policy of the United States. It is not a policy of killing them all, by any means, nor do I accept that. Nor would I support any legislation that would carry out such a policy.

This legislation basically says do not go to Cairo. Whether it was intended to do that or not, that is the sum effect of it.

And because of that, I will oppose it. I have made it very clear that my support of population money or family planning money in this bill is limited in this fashion, that no money, no U.S. tax dollars should ever go to a country that uses abortion as a method of family planning, or uses or pays for enforced abortion.

I suspect that is a known fact. That is the position of the Clinton administration. To suggest otherwise is wrong. To suggest that this bill or the position of the administration is different than that states by the President in his meeting in the Vatican City with the pontiff is also erroneous.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I still have difficulty understanding the meaning of the opposition to this amendment of the distinguished Senator from Vermont. Maybe the acoustics are not good in the Senate, but I understood him to say that this means that we cannot go to the population conference in Cairo. I want him to point out anywhere in the amendment that that is even suggested or implied.

All it says and what it says is that you cannot use American taxpayers' money to compel or to try to compel another country, such as Egypt, to change its laws regarding abortion.

There are all sorts of religions in the world and many religions forbid the deliberate destruction on innocent human life. They used to be forbidden in this country until things changed for the worse in 1972 when the U.S. Supreme Court wrote the Roe versus Wade decision.

But I do not understand what the Senator is saying in opposition to my amendment.

I hope the RECORD will reflect that I am asking him to be more specific and point out precisely in the amendment where it implies what he said it provides.

It simply does not do that. It was not intended to do it, and I regret that the amendment is not being characterized properly.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I have high regard and respect for my friend from North Carolina. I mean that. Senator HELMS is a splendid friend. He has been very helpful to me in my activities as assistant leader of our party, and I have come to know him in a way I did not when I came to this body, and I have the highest regard for him.

But I must in this instance resist and speak in strong opposition to the amendment of my friend from North Carolina because I have been involved in these population issues for many years, as was my father. I think the Senator from North Carolina will recall that my father, Senator Milward Simpson, was deeply involved in population issues. For it is here that everything we do in the world, literally—and I am not being overly dramatic—will depend upon how many footprints will fit upon the face of the Earth.

Our mission to Cairo is not about abortion—and I knew that that would eventually come—but it is not about abortion. We are talking about education. We are talking about women's rights. We are talking about men's responsibilities. We are talking about things that have to do with fertility rates and families. And we are not talking about abortion.

But as I interpret the amendment in reading it, it would prohibit the United States from participating in or endorsing the world consensus document that is to be negotiated and ratified at the upcoming population conference in Cairo. It would prohibit the United States from endorsing any international agreements that acknowledge the high rates of maternal mortality associated with unsafe abortions throughout the developing world and the call for reducing reliance on unsafe abortions. In essence, then, this amendment goes to the heart of the International Conference on Population and Development [ICPD] that will be held in Cairo in September.

Delegates from 110 nations from around the world will gather in Cairo to assess the current state of global population. How many human beings can the Earth sustain? We are presented with figures that show that the population will double from 5½ to 11 billion in the year 2047, if I recall, and then go on up exponentially into the year 2150 when the population reaches a figure of 694 billion. That is beyond my comprehension.

I am not a mathematician, but I do know the issues that concern the Senator from North Carolina and concern me, issues like immigration, illegal immigration, population, how much food is to be presented to the world for its billions. What are we going to do when in a society of food gatherers and wanderers—when they take the last bird, kill the last animal, drink the last water, and move on in nomadic ways with a sack of grain over their shoulders looking for a place to live.

Now that is pretty dramatic, but these are the things that we are going to discuss in Cairo to determine its impact on human development, and to try to produce an action plan for the next decade and the next century.

And the United States will play a very significant role at that Conference because of the current administration's complete reversal of the position then stated at the 1984 Mexico City Conference. Over the past decade, the United States, in a sense, has had its hands tied in terms of acting on the challenge of increasing population growth, and its impact on the environment, impact on the global economy, and the international standards of living. And I must say I am heartened to see the administration's renewed interest in these serious issues and the leadership role it has embraced in the past year.

But when the United States travels to Cairo this September—and I plan to be a part of our delegation—I strongly believe the United States should be leading the international community in a unified effort to meet the severest of challenges involved with these issues of global population, economic opportunity, and sustainable development.

That is why this amendment troubles me so. Because every time we bring up the issue of global population here in the Congress, we suddenly find ourselves embroiled in a debate over abortion—that is a political reality—and it is most unfortunate. This is not about abortion.

I respectfully say that my colleague from North Carolina or his able staff is misinterpreting the goals of the draft document that is currently being edited for discussion in Cairo. This draft document addresses a comprehensive array of population and development issues, including, as I say, environmental concerns, sustained economic growth, child survival and health, international migration, and maternal health, which includes a call for the elimination of all deaths associated with unsafe abortion.

Hear that. It calls for the elimination of all deaths associated with unsafe abortion.

This draft document is not calling for the legalization of abortion. Let us be absolutely clear. It does not call for the legalization of abortion where it is currently illegal. No one is forced. There is no coercion. The document recognizes abortion as a women's health issue because of the current crisis of maternal mortality resulting from unsafe abortion.

Accordingly, governments are urged—and this is from the document—"to deal openly and forthrightly with unsafe abortion as a major public health concern." And then the document also calls for the prevention of abortion and urges countries to avoid promoting abortion as a method of family planning. Very important.

This amendment, unfortunately, mischaracterizes or misunderstands the U.S. position on abortion and the U.S. role at the Cairo Conference.

The administration, led by our former colleague, now Vice-President AL GORE—and he and I had some spirited debates in opposition to each other here—and Under Secretary of State Tim Wirth—who was another former colleague—we have had serious discussions with on this issue—has articulated its view on abortion numerous times and they say abortion should be safe, legal, and rare. I uphold that. I think that is an important distinction. And the U.S. will continue to articulate that very clear position at the Cairo Conference.

In addition, the U.S. Agency for International Development, AID, has a longstanding policy based on the efforts and good work of Senator HELMS with an amendment to the Foreign Assistance Act of 1961 stating that AID "does not advocate the use of abortion as a method of family planning." That is in the law. U.S. AID also recognizes that unsafe abortion is a major cause of mortality and morbidity for women, leading to as many as 200,000 deaths of women every year in the developing world.

The U.S. position on population that will be expressed at the Cairo Conference is not just about abortion policy. It is about ensuring access to high quality family planning and related reproductive health services, increasing child survival programs, addressing migration and environmental degradation—I am being repetitive—strengthening families, and addressing the needs of adolescents.

The document that comes out of the Cairo Conference never calls for legalization of abortion where it is currently illegal. It is so important to hear that, and I share that with my friend from North Carolina. Our negotiations taking place at the International Conference will result in an international consensus document on all of the very serious issues of which I have spoken today. In addition, this document will—or hopefully will—be endorsed by 110 member nations of the United Nations.

I think it would surely be a shame, a real shame, if the United States could not resume its position of moral leadership and global efforts to reach responsible and sustainable population levels, and to back that leadership up with specific commitments to population planning activities—without seeing the debate slide into the numbing and vexing issue of abortion, where never a vote is changed on this floor, ever—never is a vote changed on the issue of abortion on this floor.

This amendment would prohibit the United States from playing a key role, its important key role, in this international Conference, and we simply cannot stand by and let this occur.

I urge my colleagues to assist me in that outcome.

I thank the Chair.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I say to the Senator from Wyoming, for whom I have the greatest affection, and he knows that; he has indicated the same with respect to me and I return it twofold to him because he has been so helpful to me through the years, even when we disagree.

I do not know how the Cairo Conference got into this debate. This amendment says nothing about the Cairo Conference.

I would ask the Senator, first of all, if he has read the amendment? And would he be good enough, if he has read it, to point out to me where even inferentially the Cairo Conference is mentioned?

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, there is no mention of the Cairo Conference. But the Cairo Conference will take place in September. I have read the amendment and it "recognizes that countries adhere to a diversity of cultural, religious, and legal traditions regarding the deliberate abortion of the human fetus. Therefore, none of the funds appropriated by this act may be used by any agency of the United States"—that is any agency of the United States; I assume that means anything we do in the international field, including all our activities with regard to AID, with regard to our mission to Cairo—will not "engage in any activity or effort to alter the laws or policies in effect in any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited; support any resolution or participate in any activity of a multilateral organization"—that is where we are going is the U.N. operation—"which seeks to alter such laws or policies in foreign countries; or permit any multilateral organization"—that is the United Nations—"or private organization to use U.S. Government funds."

Mr. HELMS. If the Senator will permit me, would you explain——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from North Carolina?

Mr. HELMS. I would like to know how it ties into the Cairo Conference.

Mr. SIMPSON. I do yield to my friend from North Carolina.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. I see that the leader of the delegation to the Cairo Conference—or one of the participants, it is a bipartisan delegation—is here on the floor. He has been much more active in this than I.

My simple reason for participating in the beginning, and I do think this does impact—I am going to yield to my friend from Massachusetts——

Mr. HELMS. You cannot yield because I have the floor, is that correct?

Mr. SIMPSON. Then I shall not yield. It is not my opportunity to yield.

Did the Senator have a further question?

Mr. HELMS. Yes, I do. How does the Senator, even if he infers something that is not even implied in the amendment—how does he assume it is going to prevent our participation in the Cairo Conference? When is the Cairo Conference?

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. The Cairo Conference is in September. The dates I believe are——

Mr. HELMS. The third of September?

Mr. SIMPSON. Yes, this September.

Mr. HELMS. This bill is effective for the spending of the taxpayers' money beginning when?

Mr. SIMPSON. Mr. President, the purpose of the amendment of Senator HELMS is to prohibit U.S. Government intervention with respect to abortion laws or policies in foreign countries. This was the Mexico City proposal, which I thought was very restrictive and strained. Now this administration has chosen to proceed in a different way. I think it is an important way.

All I am doing is looking at the amendment. I am using the term "Cairo Conference" because that is the next issue that will come before this country in any significant way with regard to dealing with population and family planning and the future of children and discussion of women and legalization of abortion and not allowing unsafe, illegal abortions. And all of this has to do with that. I do not see how it could be said that this would escape what we are going to be talking about in Cairo.

Mr. HELMS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. I thank the Chair. I would like to differ with my friend from Wyoming, because he is my friend and we work together so often. But let me say to him that part (b)(3) of the amendment is not like President Reagan's Mexico City policy—not at all.

Mexico City said that an organization could not use any funds, no matter where those funds came from, to promote abortion. Therefore, if an organization spent 1 dime raised from private sources to promote abortion, it was ineligible to receive funds provided by the U.S. Government.

This amendment pending says nothing of the sort. Part (b)(3) of the pending amendment says that funds provided by the U.S. Government cannot be used to lobby countries to change their abortion laws based on their religious principles, based on whatever. We have no right to do that.

The amendment allows organizations to do whatever they please, even if they receive U.S. funds. The language of the amendment simply prohibits an organization from using U.S. funds to lobby for abortion.

Mr. KERRY. Will the Senator yield for a question?

Mr. HELMS. No, no, not yet. Not yet. I say that respectfully.

Furthermore, the funds involved in this amendment do not begin to flow until October 1 of this year. And the Cairo Conference is in early September.

This amendment does not mention the Cairo Conference. So I think that some of the opponents of the amendment—and I say this as respectfully as I can—sort of kneejerk whenever one of us who believes in prolife gets up, that they have to oppose an amendment without even reading it or knowing what it says, let alone what it implies. I regret that.

We cannot discuss dispassionately this business of the deliberate destruction of millions of innocent human lives. That goes beyond any friendship, certainly that I have.

Certainly it bothers me. It worries me. And I cannot countenance the suggestion that trying to do the minimum, that is to prevent the U.S. Government from using taxpayer funds to lobby other countries one way or another on the abortion question—that is all the amendment does, that is all the amendment says. It does not mention the Cairo Conference.

Mr. KERRY. Will the Senator yield for a question?

Mr. HELMS. I am going to yield the floor. You can have at me.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I would like to comment on the observations of my friend from North Carolina. First of all, I do not observe any knees jerking over here. I do not think this is a reaction that is not in keeping with what this amendment does. I am not sure the Senator from North Carolina intends this amendment to do what it does. I would say to him respectfully, it may well be that the language in his amendment is more overreaching than perhaps the Senator intends.

Let me say respectfully to the Senator from North Carolina, Mr. President, that, for example, in paragraph (b)(2) of this amendment there is a policy statement, not an expenditure. And a policy statement takes effect upon enactment. So, in effect, upon enactment this amendment seeks to say that the United States is not able "to support any resolution or participate in any activity of a multilateral organization which seeks to alter such laws or policies in foreign countries."

I know my friend from North Carolina does not intend to say that the United States could not go to the Cairo conference and argue against unsafe abortions. I know my friend from North Carolina does not intend to say that the United States should not be taking efforts to prevent abortions. And there is nothing that better prevents abortions than offering women alternative choices which are part of the voluntary family planning practices of the United States.

The language that the Senator offers in his amendment would, in fact, prohibit us from doing that because it says you cannot do anything to alter a law, even if you were trying to alter the law to the positive effect of the Senator from North Carolina.

I would say when you measure this amendment against the larger objectives, not only in Cairo but in the U.S. policy, I do not think the U.S. Senate wants to do this.

Population is a significant issue for foreign policy and the United States has a responsibility to fully participate in these international debates. Rapid population growth is closely linked with poverty and environmental degradation. The population of the world has gone from 2 to 5.7 billion during the course of this century. Unfortunately, this trend is expected to continue. The great issue facing us when we go to International Conference on Population and Development [ICPD] in Cairo this September is whether or not we can develop strategies to level growth to 11 billion and not have it explode to 20 billion.

The President of the United States has said very clearly this conference is not about abortion, nor is U.S. policy about abortion. In fact, the President said very clearly that he is seeking to make sure that abortion is legal, safe, and rare.

I cannot imagine that the Senator does not want to permit the United States to engage in a policy that reaches out to people to empower them to be able to make abortion more rare; 173 of the 190 countries have some form of legalized abortion today; and many if not all of those 173 countries have abortions that are very unsafe. Some are so unsafe that the purpose of the U.S. delegation is to try to save lives.

But the Senator from North Carolina, in his amendment, just broadly, sweepingly says "you cannot support any resolution or participate in any activity of a multilateral organization (that is, the United Nations) which seeks to alter such laws or policies in foreign countries."

So, among other activities, we would be prohibited from going to Cairo to attempt to change the policy of a country, other than coercive abortion, which this amendment allows. But there are other issues in addition to coercive abortion; for example, unsafe abortion practices which must be dealt with. The World Health Organization estimates that over 150,000 deaths and injuries to women each year are a direct result of unsafe abortion practices. We would not be allowed to talk about this critical health issue under the amendment of the Senator from North Carolina.

This amendment would be a formal statutory codification of the abdication of U.S. responsibility. It would also be a prohibition on our involvement in this activity as a matter of policy, whether or not American funds were expended. Therefore, Mr. President, I respectfully suggest that I cannot imagine why the Members of the Senate would want to ratify this amendment.

Furthermore, the Senator from North Carolina should be fully aware that the United States' policy does not—in any way—attempt to dictate to other countries on the issue of abortion. In fact, President Clinton, in a speech he delivered just 2 weeks ago reiterated his administration's policy, and I quote:

> Contrary to some assertions, we do not support abortion as a method of family planning. We respect, however, the diversity of national laws, except we do oppose coercion wherever it exists. Our own policy in the United States is that this should be a matter of personal choice, not public dictation and, as I have said many times, abortion should be safe and legal and rare. In other countries where it does exist, we believe safety is an important issue * * * we also believe that providing women with the means to prevent unwanted pregnancy will do more than anything else to reduce abortion.

Under the amendment of the Senator from North Carolina, regretfully, we would not be able to pursue that policy of the President of the United States.

In addition to participation in the U.N.-sponsored ICPD, this amendment would prohibit U.S. endorsement of international agreements that promote safe abortion services and could prohibit research and educational programs focused on the incidence and

health consequences of unsafe abortion by any organization, such as the World Health Organization, U.N. Population Fund or the International Planned Parenthood Federation. So the scope of this amendment goes far beyond the upcoming Cairo Conference.

The effect of this amendment is that we would not be able to save lives. We would not be able to prevent unwanted pregnancies, and I think it would have a contrary effect to the very thing that the Senator from North Carolina is trying to set out to do.

It is imperative that the United States be a leader in the population debate. As President Clinton has stated, the overriding objective of his administration and of its participation at the ICPD meeting in Cairo is to reduce the incidence of unwanted pregnancies. We cannot achieve this goal with this amendment and I urge my colleagues to oppose it.

Several Senators addressed the floor.

The PRESIDING OFFICER (Mr. CAMPBELL). Does the Senator yield the floor?

Mr. KERRY. I yield the floor.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I will yield in a moment to my friend from Maryland.

I think that was a very excellent review of that, but I would ask my friend from North Carolina—because he does care, he is a caring person on these issues and he talks of millions of human babies—but now we are at a point in the world's history where there will be millions of human babies. If we do nothing, they will simply die. They will die of starvation; they will die of dehydration; they will die of disease because there is no way this Earth, this planet home of ours, can sustain the growth that is coming. That is who will die. They will die first. They are the babies and those who are not able to sustain themselves, and that is a very serious issue.

I respect my friend from North Carolina and know what he is trying to do. But even if it does not take effect until October, after October, we are all done if this amendment is adopted because there are no funds to use after October. And that, I am sure, was not the intent. If we are going to get a good start in September, we do not want to see the funds gone in October.

I thank the Chair.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I would like to ask the Senator from North Carolina a question, if I might, if he would consider adding language that would clearly state that this does not apply to funds for the Cairo Conference or, I would suggest, any other followup conferences?

I think the Senator from Massachusetts and I think the Senator from North Carolina himself would believe that it is important for us to participate for the very reasons that we do need to be there, to express a sensitivity to the cultures and the concerns of other nations. And yet, population is an important issue, sustainable development, children in the African countries, the Third World countries where population is such a major problem.

I personally feel that we need to be there at the table in a constructive way, recognizing that we cannot nor should we force other countries into positions with which they would have trouble. But we need to discuss them and be cognizant of those problems.

I myself have some real difficulties with language that was part of the International Women's Health Conference in Rio de Janeiro in January 1994 in preparation for the Cairo Conference. I have some problems with the language that was expressed in this.

But I also believe very strongly that we need to be part of the Cairo Conference. I wonder if the Senator would be willing to look at some language that would clarify our participation.

Mr. HELMS. Will the Senator yield?

Mrs. KASSEBAUM. I will be happy to yield.

Mr. HELMS. That is the easiest question I received all day. Of course, I have stood here and said a dozen times it does not apply to the Cairo Conference. To answer your question specifically, I say to the distinguished Senator from Kansas, certainly I will be glad to accept any language that she may wish to draft in that regard.

Now as far as going into the future, I think sufficient unto the day the evil thereof. I would rather leave that alone. I did not introduce the Cairo Conference. I did not even imply it in the amendment. But to answer, again, the Senator's question, certainly I will accept that language as a modification. It will require unanimous consent, of course.

Mrs. KASSEBAUM. Mr. President, I will work on some language and work with others who are concerned about this, because I think there would be a question, even though it might not have been intended. And maybe if we could just clarify that, that would be useful.

Mr. HELMS. I thank the Senator. I thank her very much.

Mrs. KASSEBAUM. I thank the Senator from North Carolina. I yield the floor.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland [Ms. MIKULSKI] is recognized.

Ms. MIKULSKI. Mr. President, I rise today in opposition to the Helms amendment. I believe there is much that the Senator from North Carolina and I would agree on. I believe we would agree that neither of us would support involuntary sterilizations; neither of us would support coercive abortions. However, I believe that the amendment, as is currently drafted, would prevent the United States of America from fully participating in the International Conference on Population and Development in Cairo. It would weaken the United States as we seek to provide world leadership on population issues and also women's health issues. And I believe it would result in untold suffering for hundreds of thousands of men, women, and children worldwide.

The Helms amendment does have the effect of preventing the United States from endorsing the world consensus document to be negotiated and ratified in Cairo in September by most of the countries at this world Conference.

The draft document addresses many issues. It addresses many development issues as well as population concerns. It does include a call for the elimination of all deaths associated with unsafe abortions.

Some opponents of abortion believe that calling for safe motherhood initiatives and a reduced level of unsafe abortions is the same as altering laws or policies involving abortion. This is a shortsighted and flawed evaluation of what the Cairo Conference is all about.

If the Helms amendment is adopted, it will prevent our Government from sending a delegation to the Cairo Conference or participating in diplomatic negotiations in advance of the Conference, or afterward.

Mr. President, this would be a terrible loss for women and children in developing countries who run the risk, first of all, of going to unsafe and unsanitary conditions in health facilities.

This is about public health initiatives.

For years, the United Nations, with our country's support, has sought to improve global health standards, including the reduction in hazardous abortion practices. The Cairo Conference is not an effort to promote a prochoice agenda. The Conference is an opportunity for the nations of the world to address and seek solutions to the wide range of common problems concerning population and development, issues such as children's survival; access to family planning; women's education; the needs of adolescents; the improvement of the status of women worldwide, because we know as the status of women improves and the legal status of women is ratified, the birth rate goes down; the encouragement also of responsible sexual behavior; the strengthening of families, as well as issues related to migration and environmental degradation.

The supporters of the Helms amendment would have us believe the Cairo Conference is to force countries which do not permit abortion because of their

cultural, religious, or legal traditions to change their laws.

This just is not so. The Cairo Conference document currently states that all population and development policies are to be formulated and implemented as the sovereign responsibility of each country. We will continue to acknowledge the sovereignty of nations.

Nothing about the Cairo Conference will alter the sovereignty of nations to make their own laws based on the economic, social, cultural and political conditions in their country.

Supporters of the Helms amendment claim that the United States will lobby to forward a prochoice agenda, and to pressure countries to liberalize their abortion laws.

The distinguished Senator from Massachusetts said what the President's position was before the National Academy of Sciences:

> We do not support abortion as a method of family planning. We respect the diversity of national laws, except we do oppose coercion wherever it exists.

That is what the President says, and I support what the President says.

I do, however, oppose the Helms amendment because it keeps the United States from exerting its leadership to alleviate human suffering.

Population in the world, in our lifetime, has nearly tripled. We are seeing with increasing frequency the link between overpopulation, poverty, and environmental degradation.

Five hundred thousand women die each year from pregnancy-related causes. Many suffer from acute or chronic complications related to pregnancy-related complications.

Why? Because abortions in many countries are illegal and are done in filthy, dirty circumstances. And if the Helms amendment is passed, the United States will be effectively barred from participating in seeking solutions to these pressing problems. It will also be prohibited from contributing constructively to the deliberations leading to up to Cairo, and after Cairo.

So I urge my colleagues to join me in defeating the Helms amendment, an amendment the purpose of which is to hinder the participation of the United States in this important conference. I hope that when we ultimately vote, the amendment will be defeated.

Mr. President, I yield the floor.

Mr. President, I also note the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk called the roll.

Mr. LEAHY. 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. LEAHY. Mr. President, I have discussed this with the distinguished Senator from North Carolina and the distinguished Senator from Kentucky.

I ask unanimous consent that we vote on or in relation to the pending Helms amendment at 11 a.m. tomorrow.

The PRESIDING OFFICER. Is there an objection? The Chair hears none, and it is so ordered.

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

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

MORNING BUSINESS

Mr. LEAHY. Mr. President, I now ask there be a period of morning business with Senators recognized for a period not to exceed 10 minutes each.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

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

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

SPEAKING FEES AND JOURNALISTS II

Mr. GRASSLEY. Mr. President, last month I spoke on this floor about the issue of some journalists taking speaking fees for up to $30,000 a talk. This practice has become more and more common among the media elites in Washington and New York—the power centers of our country.

Indeed, I am told by industry officials that some of the more noted journalists supplement their income by hundreds of thousands of dollars a year.

Let me say that again, Mr. President. Because this shows the dimensions and magnitude of the issue.

According to media officials, some of the more noted journalists supplement their incomes by hundreds of thousands of dollars a year. They do this by speaking to companies and trade associations. And that is above and beyond their normal salaries, which sometimes range from a few hundred thousand dollars, to a few million.

For speaking fees alone, Mr. President, that is more than the salary of the President of the United States.

And despite the exorbitant numbers, there is no disclosure. Set aside the issue of taking fees for a moment. There is no reasonable interpretation for why—with numbers this high—there is no disclosure.

The public has a right to know who in the world would pay $30,000 for a 20-minute speech. Or $20,000. Or even $15,000.

This state of affairs is what led at least one senior network executive—Senior Vice President Richard C. Wald of ABC News—to remark, "A few—of our colleagues, either because of frequency or the size of their fees, in fact have a second, high-income job."

The issue raises questions concerning the media's credibility. The questions are raised within the journalism community itself. If a reporter accepts money from an industry that he or she covers, how credible should we view their reporting?

The public has a right to know if this question applies to specific journalists who bring them the news. The problem is, because there is no disclosure, they cannot get an answer. They cannot find out which interests are paying how much money to which reporters.

The relevant question is, Who would pay such exorbitant sums? And to whom? And why?

Mr. President, I spoke about this issue on this floor on June 29. I discussed the issue as I see it, and as seen by many in the journalism profession.

I also discussed how this issue parallels that of honoraria taken by Members of Congress. The numbers we are talking about, here, have the potential to make criticism by the media of honoraria and PAC money to Members of Congress ring hollow.

But I raise the concern in precisely the same context as that of us politicians—that is, how the public perceives us as a profession.

And that public perception, as I said in my June 29 statement, is pretty low. Journalists and politicians are right down there together with used car salesmen, in the eyes of the American people.

The result is that people have become cynical toward their Government, as well as those in the news media who cover their Government.

Americans want those who bring them the news to be objective. They want them to be effective watchdogs of the governing process.

Suspicions about special interests, buying influence with, and access to, big media stars, diminish the media's effectiveness as watchdogs, and increase the public's cynicism.

The first step to effectively counter the suspicion is to disclose.

Now, I know the vast majority of journalists do not take speaking fees. But the ones who do reach the largest audiences. They are generally the TV elites and bureau chiefs of the print media. And so the issue is one of enormous import.

I have not suggested that journalists should not take fees. Far be it from me—a Member of the Congress of the United States—to suggest someone—anyone—should not take speaking fees.

But at a minimum, journalists should disclose their fees—just like Members of Congress had to when we received speaking fees. We had to disclose who provided how much and when. Journalists should disclose the same information, in my view, because the public is entitled to know.

Members of Congress have struggled with how to restore credibility with the public. One step was to severely curtail our speaking fees, or honoraria. It was a response in large part due to prodding journalists. They pointed out how the taking of honoraria by Members of Congress can be viewed by the public as engaging in possible conflicts of interest.

We in Congress resisted that proposition. We said that honoraria from outside interests does not influence how we act. So why should we not take it, we asked?

Eventually, Congress realized that it was not a matter of integrity. It was a matter of perception. And it was members of the press corps who usually drove home that point.

And so Congress finally reformed its rules governing speaking fees. Now, we cannot accept fees unless we give them to charity.

Should not the same media, which helped make Congress aware of its perception problems with the public, now make themselves aware of its own perception problems?

If so, it should start with the same minimum standard that Congress had—disclosure. Beyond that, each news organization should set its own policy for speaking fees. That should properly be the business of each company.

In my June 29 speech, I quoted extensively from the May issue of the American Journalism Review. The article notes that many of the journalists queried said their speaking fees are none of the public's business.

Mr. President, I beg to differ. It is the public's business. The public has a right to know who in the world thinks journalists are worth up to $30,000 for one 20-minute speech.

This is not to question the level of talent of these media elites. This is not in dispute. Most agree—they are charming, witty, and extremely talented.

Rather, the real issue is where the money is coming from. Who in the world would value 20 minutes of time to the tune of $20,000 and $30,000? And most important—why?

Is it because of their great ability as entertainers? Is it because of their great ability as purveyors of information?

This is what the public has a right to know.

During the past month, the media has covered extensively the tragic O.J. Simpson case. It has been reported that Mr. Simpson has hired the best defense lawyers money can buy.

These defense attorneys make upward of $600 an hour. That is top dollar for legal advice. Mr. Clinton's lawyers are even said to command about $450 an hour. This is the best legal help in America.

Yet, that is nothing compared to $30,000 for a 20-minute speech.

Much has been made, too, of the dizzying salaries these days of major league baseball players. Let us take a look.

The average salary for a major leaguer is $1.2 million a year. He plays 162 games per year.

At $1.2 million, that ballplayer makes $7,407.35 per game. And since the average baseball game is about 3 hours, that is $2,469.12 per hour.

That's a far cry from $30,000 per speech; or, $20,000 per speech; or even $15,000 or $10,000.

The average American worker makes just over $21,000 a year. Imagine what he or she thinks when a journalist gets that amount of money for just one speech.

Is it not reasonable to expect he or she would want to know who is providing that kind of money, and why? They may, or may not, conclude there is influencing or access-buying with those kinds of numbers. But at least that worker can make an informed decision.

Even a Member of Congress, roundly criticized by the media for taking speaking fees, was limited to just $2,000 a speech. And there were legal limits on the totals, unlike for journalists.

Remember, these speaking fees are in addition to the hundreds of thousands or millions of dollars these journalists already make for their salaries.

Since my statement of June 29, there have been some developments on this issue. Since my colleagues have been out of town, I thought I would bring them up to date.

In my June statement, Mr. President, you will remember that I mentioned ABC News has a new policy regarding speaking fees. That new policy bans fees for its on-camera reporters from trade associations and for-profit companies.

A couple days later—on July 1—an article appeared in the Washington Post that quoted from an ABC News memorandum that outlined its new policy. That memo was written by the aforementioned Mr. Wald. In it, according to the Post article, Mr. Wald says the following:

> It isn't just how big a fee is, it is also who gives it and what it might imply.

The memo goes on to say:

> Their special interest is obvious, and we have to guard against it.

And so on the basis of that judgment, ABC tells its on-camera reporters, again according to the memo, "You may not accept a fee from a trade association or from a for-profit business."

On July 7, another story appeared about speaking fees in a trade journal called Communications Daily. It added that:

> ABC News has put [an] end to its star correspondents' receiving speakers' fees from various groups, action that reportedly isn't sitting too well with correspondents.

The daily also reports, of the other major networks, the following:

> NBC News said it was revamping its conflict and ethics guidelines and would "directly address the issue of speaking fees." CBS News has conflict and ethic guidelines with no blanket rule prohibiting payment for speeches, while CNN permits fees on a case-by-case basis.

On July 9, the Washington Post advanced the ABC story. It appears that a group of media stars at ABC wrote a letter of protest to Mr. Wald about the new policy.

According to the Post, those signing the protest letter include David Brinkley, Sam Donaldson, Cokie Roberts, Jeff Greenfield, Brit Hume, and Ann Compton.

The Post story quotes one ABC insider as calling the practice of accepting fees "outrageous." For them to look like they are compromising themselves takes away the value of what they do as professionals."

While the article makes clear that the purpose of the letter is to protest the new policy, at least one of the signatories appears to be calling for tougher measures.

Mr. Greenfield was asked to comment on the letter. According to the Post, Mr. Greenfield said, "The whole idea of avoiding conflicts of interest is exactly right. When you start trying to figure out what is and what isn't, it gets really tricky. You can speak to non-profit groups—they don't have a legislative agenda," he asks? "They lobby all the time. We're just trying to get a policy that makes sense."

Mr. President, as journalists continue to come to grips with this issue, it seems to me that the necessary first step—one that would be seen as a positive step forward—is disclosure.

Last Sunday, the matter of speaking fees for journalists was discussed on CNN's "Reliable Sources," a roundtable forum dealing with media ethics and issues. After much discussion, the question of disclosure was brought up by former Wall Street Journal correspondent Ellen Hume.

She said: "I also have always been willing to disclose that, and I think there should be a mechanism for disclosing these speaking fees." Other reporters suggest the same remedy. It is an appropriate first step, in my view.

Mr. President, this is an issue involving big money from special interests. It is an issue of perception and credibility. And it is an issue of reluctance to

disclose relevant data to the public that is in their interest.

The motto of any responsible politician and journalist should be, "Mold doesn't grow where the sun shines in."

When we get away from that principle, we get in trouble. Disclosure would provide the requisite sunshine for getting back on the right course.

I yield the floor.

TRIBUTE TO CHARLES C. DERAMUS

Mr. HEFLIN. Mr. President, the Council for Rural Housing and Development has selected Charles C. DeRamus as the distinguished recipient of its Harry L. Tomlinson Award in recognition of his years of service to the Farmers Home Administration of the U.S. Department of Agriculture.

Charles DeRamus, who is currently the Rural Housing Chief for the State of Alabama, joined the Farmers Home Administration as an Assistant County Supervisor. Under his competent and energetic leadership, the Alabama State office reorganized and centralized its loan processing services, resulting in increased efficiency and participant satisfaction. Charles DeRamus oversaw the development of a system which other States now emulate as a model for reform.

High personal standards of decency, concern for others, and involvement in civic affairs distinguish Charles DeRamus as an exemplary State son. Following the 1992 election of President Clinton, he served as Acting State Director for the State of Alabama. Furthermore, his expertise as a hunter and renown as an author enhance the image of Alabama among all sportsmen.

I do not stand alone in thanking Mr. DeRamus for his lifetime of service to the State of Alabama. Those who benefit from his hard work on the problem of housing in our State thank him as well. I am proud to commend Charles DeRamus for this deserved recognition of his contribution to Alabama's future.

TRIBUTE TO WILLIAM H. LEWIS, SR.

Mr. HEFLIN. Mr. President, on June 12, Prof. William H. Lewis, Sr., passed away in Huntsville at the age of 91. Professor Lewis' lifelong commitment to education and the people of his community earned him the title "Legend of Burrell Slater School."

William Lewis was born in Greensboro, AL, on March 31, 1903. He attended Morehouse College in Atlanta, the University of Cincinnati, and Fisk University in Nashville. He began his teaching career at Snow Hill Institute in Alabama. In 1928, Professor Lewis moved to Florence, AL, where he served as principal of Burrell-Slater School for 37 years. He also held positions as teacher, band director, and football coach. His teaching career spanned 36 years at several different schools.

Professor Lewis was not only a legend in his own schools, he was a pioneer and role model for all black youth. He organized the first Boy Scout Troop for black boys and the first black youth band. He was also a founder of the North Alabama High School Athletic Conference, encompassing 26 schools across north Alabama.

During the course of his long and distinguished career, Professor Lewis received more than 155 plaques and citations for his participation in school, church, and civic affairs. He was one of the first blacks to join the Kiwanis Club. His generous contributions to such organizations as Meals on Wheels, Omega Psi Phi Fraternity, the New Florence Masonic Lodge, United Way, and the Tennessee Valley Community Church reveal his spirit of giving.

A long-time friend said after Lewis' death that he never hesitated to contribute wherever and whenever he was called upon, and this sentiment was echoed among several friends and colleagues. Indeed, his graciousness, personal discipline, and humble spirit had a great impact on his students, who will carry his legacy with them into the future. He will be remembered for years to come not only as the "Legend of Burrell-Slater," but also as an inspiration to all Alabamians.

TRIBUTE TO THE HONORABLE JAMES RUSSELL McELROY

Mr. HEFLIN. Mr. President, Judge James Russell McElroy of Birmingham, AL, died on June 28 after 50 years of service on the bench and a lifetime of commitment to civic affairs.

Judge McElroy was born October 1, 1901, in Sumpter County and grew up in the small communities of York and Cuba. After finishing high school, he worked at various railroad jobs until he enrolled in law school. He was admitted to the Alabama Bar in 1924 and was in private practice and a part-time assistant city attorney of Birmingham until appointed a circuit court judge by Gov. Bibb Graves in 1927, when he was only 25. He served continuously as an active circuit court judge until his retirement in 1977 at 75. His long tenure as a judge was recognized in the "Guiness Book of World Records" 1979 edition as "Most Durable Judge" for serving almost half a century on the bench.

Judge McElroy was the author of "The Law of Evidence in Alabama," now known as "McElroy's Alabama Evidence," which is among the most widely used legal treatises in the State. He was also coauthor of "Alabama Annotations to Restatement of Contracts" and associate editor of the Alabama Lawyer for 18 years.

Judge McElroy was a part-time faculty member of the Birmingham School of Law, the University of Alabama School of Law, and the Cumberland School of Law, and was a lecturer on medical jurisprudence at the Medical College of Alabama. Endowed professorships were established in his honor at Cumberland and the University of Alabama, where a scholarship was also established in his honor.

Judge McElroy was a past member and served on the board of directors of several organizations, including the Y.M.C.A., the Junior Chamber of Commerce, the Birmingham Area Educational Television Association, and the Jefferson County Sportsmen Association. He was chairman of the Jefferson County council of United Service Organization [USO] and a charter member, coorganizer, and past president of the Alabama Circuit Judges Association. He received the University of Alabama Law School Dean's Notable Service Award and the Birmingham Bar Association's Law and Justice Award in 1972. He was a member of Kappa Alpha, Phi Alpha Delta, Omicron Delta Kappa, Farrah Order of Jurisprudence, and Cumberland Order of Jurisprudence. He was a Mason, Shriner, and member of the York Rite.

Judge McElroy will be sorely missed by the many, many people who were fortunate enough to have known him over the many years of his life. His long legacy of devoted service to the State of Alabama, and the legal community in particular, will be remembered with respect for years to come, and he will long be admired for his dedication and leadership. I extend my sincerest condolences to his family.

IS CONGRESS IRRESPONSIBLE? YOU BE THE JUDGE OF THAT

Mr. HELMS. Mr. President, as of the close of business on Tuesday, July 12, the Federal debt stood at $4,621,828,111,034.37. This means that on a per capita basis, every man, woman, and child in America owes $17,727.78 as his or her share of that debt.

TRIBUTE TO ROBERT L. VIERA

Mr. LEVIN. Mr. President, I rise today to honor and pay tribute to Robert L. Viera, of Michigan, who has worked for the Saginaw County Community Action Committee [CAC] for the last 25 years. In 1970, a time of transition for the CAC, Mr. Viera assumed the role of executive director. Since 1970, Mr. Viera has turned the CAC into a powerhouse community organization based on his tenet of "Education as a key link in breaking the cycle of poverty."

Mr. Viera's first goal for the committee was the elimination of poverty. To

achieve this goal he mobilized resources in order to create institutional change. Mr. Viera described his philosophy that became the driving force of the organization as "changing tax consumers into tax contributors". In order to support his philosophy he instituted over 20 community programs, from dental care to jail rehabilitation.

Mr. Viera is not only a community warrior, he is a community savior. His selfless efforts to alleviate poverty have brought hope through education. A scholarship fund established in his name will serve as a living gift to the community that has benefited so greatly from having him as their leader.

The Saginaw County Community Action Committee and a cross-section of the community joined together on June 24, 1994, to celebrate 25 years of Mr. Robert L. Viera's accomplishments in the community. Although no longer the executive director of the CAC, Mr. Viera continues to work for the Saginaw County Child Development Center. His altruism has helped the Saginaw community immeasurably, making him both a hero and a role model.

UKRAINE'S PRESIDENTIAL ELECTIONS

Mr. DECONCINI. Mr. President, In Sunday's Presidential elections in Ukraine, former Prime Minister Leonid Kuchma emerged victorious over incumbent President Leonid Kravchuk, winning 51.5 percent of the vote to Kravchuk's 45.5 percent. Campaigning on the theme of strengthening economic ties with Russia and blaming President Kravchuk for Ukraine's serious economic ills, Kuchma drew largely on the support of the industrialized East and South.

President Kuchma's principal policy challenge will be to launch meaningful economic reform. President Kravchuk, for all his success in the international arena and in maintaining domestic stability, seemed unwilling to exert the leadership needed to implement real reform. President Kuchma will have the difficult job of working with the Cabinet of Ministers, Parliament, and regional and local officials—where reformers have made gains in recent elections—to turn this dire situation around. In this regard, Mr. Kuchma may face opposition in Parliament. Whereas the Communists and their allies—the largest bloc of deputies—appear to back his call for closer economic ties with Russia, they may block economic reform, much as the previous Parliament did when he was Prime Minister in 1992. There is a danger of continued gridlock unless Ukraine moves forward on a new constitution that more clearly defines executive and legislative powers.

The other major political challenge for the new President will be to bridge the gap between Eastern Ukraine and more nationalist Western Ukraine, which voted heavily for President Kravchuk, fearing that Kuchma would move Ukraine back into Russia's orbit. To his credit, the President-elect immediately called for political unity and articulated a willingness to overcome the East-West split. Mr. Kuchma will need to convince many of his countrymen that closer economic ties to Russia will not mean a loss of Ukraine's sovereignty or a turning away from the West.

Mr. President, last weekend, acting on a U.S. initiative, the leaders of the G–7 promised up to $4 billion in finance from the IMF to Ukraine, contingent on progress on economic reform. As Chairman of the Helsinki Commission, I have had a longstanding interest in Ukraine. I am very encouraged that the West, especially the United States, is increasingly acknowledging Ukraine's importance and is beginning to back it with concrete support. We need to sustain and nurture this growing interest in Ukraine and develop worthwhile assistance programs there, as an independent, Democratic Ukraine is crucial to the stability and security of Europe. But the key will be what happens in Ukraine. The country's new leadership has the opportunity to consolidate independence and develop the political and economic bases for democracy and prosperity. No amount of foreign aid or goodwill can be a substitute for the commitment to freedom of Ukraine's people and political maturity of its leadership.

BUDGET SCOREKEEPING REPORT

Mr. SASSER. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through July 1, 1994. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the concurrent resolution on the budget—House Concurrent Resolution 287, show that current level spending is below the budget resolution by $4.9 billion in budget authority and $1.1 billion in outlays. Current level is $0.1 billion above the revenue floor in 1994 and below by $30.3 billion over the 5 years, 1994–98. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $311.7 billion, $1.1 billion below the maximum deficit amount for 1994 of $312.8 billion.

Since the last report, dated June 27, 1994, there has been no action that affects the current level of budget authority, outlays, or revenues.

Mr. President, I ask that the report be printed in the RECORD.

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

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 11, 1994.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the 1994 budget and is current through July 1, 1994. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 64). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated June 27, 1994, there has been no action that affects the current level of budget authority, outlays, or revenues.

Sincerely,

ROBERT D. REISCHAUER.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE

[Fiscal Year 1994, 103d Congress, 2d Session as of Close of Business July 1, 1994; in billions of dollars]

	Budget resolution (H. Con. Res. 64)[1]	Current level[2]	Current level over/ under resolution
ON-BUDGET			
Budget Authority	1,223.2	1,218.4	−4.9
Outlays	1,218.1	1,217.1	−1.1
Revenues:			
1994	905.3	905.4	0.1
1994–98	5,153.1	5,122.8	−30.3
Maximum Deficit Amount	312.8	311.7	−1.1
Debt Subject to Limit	4,731.9	4,537.3	−194.6
OFF-BUDGET			
Social Security Outlays:			
1994	274.8	274.8	(*)
1994–98	1,486.5	1,486.5	(*)
Social Security Revenues:			
1994	336.3	335.2	−1.1
1994–98	1,872.0	1,871.4	−0.6

[1] Reflects revised allocation under section 9(g) of H. Con. Res. 64 for the Deficit-Neutral reserve fund.

[2] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

*Less than $50 million.

Note: Detail may not add due to rounding.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE

[103d Congress, 2d Session, Senate Supporting Detail for Fiscal Year 1994 as of Close of Business July 1, 1994; in millions of dollars]

	Budget authority	Outlays	Revenues
Enacted in Previous Sessions			
Revenues			905,429
Permanents and other spending legislation[1]	721,182	694,713	
Appropriation legislation	742,749	758,885	
Offsetting receipts	(237,226)	(237,226)	
Total previously enacted	1,226,705	1,216,372	905,429
Enacted this Session			
Emergency Supplemental Appropriations, FY 1994 (P.L. 103–211)	(2,286)	(248)	
Federal Workforce Restructuring Act (P.L. 103–226)	48	48	

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE—Continued

[103d Congress, 2d Session, Senate Supporting Detail for Fiscal Year 1994 as of Close of Business July 1, 1994; in millions of dollars]

	Budget authority	Outlays	Revenues
Offsetting receipts	(38)	(38)	
Housing and Community Development Act (P.L. 103–233)	(410)	(410)	
Extending Loan Ineligibility Exemption for Colleges (P.L. 103–235)	5	3	
Foreign Relations Authorization Act (P.L. 103–236)	(2)	(2)	
Marine Mammal Protection Act Amendments (P.L. 103–238)		4	
Airport Improvement Program Temporary Assistance Act (P.L. 103–260)	(65)		
Total enacted this session	(2,748)	(643)	
Pending Signature			
Federal Housing Administration Supplemental (H.R. 4568)	(*)	(2)	
Entitlements and Mandatories			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted [2]	(5,562)	1,326	
Total Current Level [3 4]	1,218,395	1,217,054	905,429
Total Budget Resolution	1,223,249	1,218,149	905,349
Amount remaining:			
Under Budget Resolution	4,854	1,095	
Over Budget Resolution			80

[1] Includes Budget Committee estimate of $2.4 billion in outlay savings for FCC spectrum license fees.

[2] Includes changes to baseline estimates of appropriated mandatories due to enactment of P.L. 103–66.

[3] In accordance with the Budget Enforcement Act, the total does not include $14,203 million in budget authority and $9,079 million in outlays in funding for emergencies that have been designated as such by the President and the Congress, and $757 million in budget authority and $291 million in outlays for emergencies that would be available only upon an official budget request from the President designating the entire amount as an emergency requirement.

[4] At the request of Budget Committee staff, current level does not include scoring of section 601 of P.L. 102–391.

*Less than $500 thousand.

Notes: Numbers in parentheses are negative. Detail may not add due to rounding.

TRIBUTE TO JACQUELINE KENNEDY ONASSIS

Mr. DODD. Mr. President, I rise today to pay tribute to Jacqueline Kennedy Onassis, a woman whose extraordinary journey through life recently came to an end. Like everyone, I was saddened by her passing, and my sincerest condolences go out to her family and friends.

In remembering Mrs. Onassis, many have focused on her grace and on her beauty. And to be sure, she was graceful, and she was beautiful. But to stop there in describing this woman is to sell her short. For the fact is that Jacqueline Kennedy Onassis was more than anything else a woman of character.

This was most starkly illuminated after the terrible tragedy of Dallas, when she stood along side Lyndon Johnson as he was sworn in as President. She put aside the shock and grief for long enough to fulfill her final, and perhaps most important, duty as First Lady: providing the Nation with an indispensable symbol of the peaceful transfer of power.

But we honor Mrs. Onassis's memory not because she was a former President's wife, but because she was a unique individual and an authentic American. She loved this country; she was proud of its culture; and she dedicated much of her life to spreading that pride among her fellow citizens.

She lent her talents to the cause of historical preservation, and Lafayette Square in Washington and New York's Grand Central Terminal stand today as monuments to her work, enduring gifts from her to the people of this Nation.

After a person has left us, the best test of her life is to ask the question, did she make a difference. Was the world a better place than it would have been had she not been born?

In the case of Jacqueline Kennedy Onassis, the answer to these questions is unquestionably "yes." In the lives of her children and grandchildren, in the lives of millions of Americans she touched, in the life of this Nation, Jacqueline Kennedy Onassis did make a tremendous difference, and it was a difference for the better.

She will be sorely missed, and she will be fondly remembered.

TRIBUTE TO JACQUELINE KENNEDY ONASSIS

Mr. SASSER. Mr. President, I join with my colleagues in paying tribute to former First Lady Jacqueline Kennedy Onassis.

Jacqueline Kennedy came to the White House in 1961 as the third youngest First Lady in American history. In three short years, her elegance and grace set a standard by which all future First Ladies have been judged.

She restored the White House and made it a national treasure. Under her guidance, sources of historic pieces of art and furniture were returned to the White House. She also made the White House a showcase for the arts—featuring the work of such world-renowned artists as Pablo Casals.

When developers threatened Lafayette Park, across from the White House, Mrs. Kennedy stepped in. Lafayette Park was saved and the historic setting of the White House was preserved.

Equally important, however, she made a secure and happy home for her family in the White House, giving her children the privacy and security that all children need.

It is difficult now to recreate the feeling of idealism of that time. It was as if a New American Age had dawned and anything was possible. That belief, and our own innocence, ended in one shattering moment.

Those of us who lived through those terrible days in November of 1963 will never forget the grace, and dignity, and courage Mrs. Kennedy displayed. She quite literally held our country together in its grief.

After President Kennedy's assassination, during her remarriage and her career in publishing, Jacqueline Kennedy Onassis guarded her privacy zealously. She continued her involvement and support for the arts and historic preservation. She worked to save such historic sites as New York's Grand Central Terminal. As a book editor, she continued her commitment to culture, editing books on the arts and history.

Throughout her life, Jacqueline Onassis never hesitated in saying that she considered raising her children to be the most important thing in her life. In the past few years we have seen just how successful she has been—raising her children to be responsible adults with a commitment to public service.

Although Jacqueline Kennedy Onassis has been taken from us too young, she has left us a legacy of grace and dignity and common sense. She graced our lives with her presence and we are the poorer for her passing.

RECLAIMING CHRISTIANITY: A CALL FOR TOLERANCE

Mr. HOLLINGS. Mr. President, poll after poll shows that our Nation is among the most religious in the Western world. We Americans are a people of faith. The Senate and House open their daily sessions with a solemn prayer. Every American coin and bill is stamped with the national motto: "In God we trust."

Likewise, we have a long and honored tradition of political activism by Americans of faith—citizens motivated by their religious beliefs to enter the political fray, to seek changes in our laws and in our society. This was the case with abolitionists in the decades prior to the Civil War. It was the case with those who committed themselves—who still commit themselves—to the struggle for civil rights. And it is the case today with many conservative Christians who seek to reinvigorate traditional American values.

I respect conservative Christians, however strongly I may disagree with them on particular issues. In an era of rising crime, widespread drug abuse, and soaring rates of illegitimacy, it is ridiculous to say that Christians should stick to their churches and not step forward as a positive influence in the political arena.

That said, I must also point out the danger of extremists in the midst of the conservative Christian community. These extremists—a small but highly visible minority—trade in a fundamentally un-Christian brand of bigotry, intolerance and hatred. They stoop to character assassination. They arrogantly claim that God is on their side and that their political opponents are in league with Satan.

Mr. President, in a July 8 editorial titled "Reclaiming Christianity," the Atlanta Constitution speaks out forcefully against these extremists. The editorial is a plea for tolerance—which is surely among the most honored of Christian virtues.

I rise to add my voice to that of the Atlanta Constitution. Let me state

what ought to be obvious: That we can disagree without vilifying or demonizing our opponents; that God is not the exclusive property of any political or religious group; that there are millions of good Americans on the far right, on the far left and everywhere in between who have a profound and sincere faith in God.

Mr. President, I ask unanimous consent that the Constitution editorial, "Reclaiming Christianity," be printed in the RECORD.

[From the Atlanta Constitution, July 8, 1994]

RECLAIMING CHRISTIANITY

Jerry Falwell, Pat Robertson and others are trying to steal something that doesn't belong to them. They have hijacked and profaned the word "Christian," and it is time the term was reclaimed from their grasping hands and restored to its full, honorable meaning.

The word "Christian" should not be used to divide Americans one against the other. Nor should it be diminished to a description of a narrow political ideology. A Christian is someone who believes in Jesus Christ as the son of God, and, defined properly, the word applies to people holding a broad spectrum of political beliefs, from liberal to conservative. There is no such thing as a Christian political position.

Nonetheless, groups such as Robertson's Christian Coalition have attempted to steal the word and apply it only to themselves and their conservative political agenda. According to their definition, a Christian opposes abortion, gay rights and the Clinton health plan, and supports prayer in schools, school vouchers and the balanced-budget amendment. By implication, any deviation from that list is a deviation from biblical principles and the word of God.

So, while Jimmy Carter may think of himself as a born-again evangelical Christian, politically he is not "Christian." Bill Clinton is a Southern Baptist by upbringing and by belief, but he is not "Christian" in a political sense. In fact, Falwell, Robertson and others would deny the president is Christian in any sense, usurping for themselves God's authority to peer into the man's soul and judge him.

The arrogance of such an act is astounding but typical. Those who believe themselves to be the infallible interpreters of God's word, particularly as it applies to political issues, apparently feel little cause to feign humility. And the most troubling expression of their arrogance is the intolerance it breeds for the opinions of others.

Tolerance is born of the understanding that none of us is infallible. Christian tolerance is born of the understanding that while God and his message may be infallible, no one (except, in Catholic theology, the pope) is infallible in interpreting that message.

In a political setting, once a position is defined as God's position, compromise and debate become impossible. How is it possible to compromise God's position? It is not. And once God has spoken, what is there left to debate? Nothing. What once might have been a calm political discussion instead becomes a battle between believers and non-believers, in which compromise is ruled out and utter defeat or victory the only possible outcome.

That is not democracy. It's religious warfare.

Democracy requires that we enter the political arena allowing at least the tiny possibility that we could be wrong, and that the other side might have a point. That kernel of doubt allows us to respect other points of view. It allows us to compromise. Most important, it allows us to accept as legitimate decisions that we ourselves believe to be wrong.

Without the seed of doubt from which tolerance springs, we are left with the attitude expressed by the Christian Coalition, which dismissed the inauguration of Clinton as illegitimate and "a repudiation of our forefathers' covenant with God."

Such a sentiment is profoundly antidemocratic, and it demonstrates anew why our forefathers were so wary of mixing religion and government. They knew that a government influenced by religious beliefs is a good thing, but a government dictated by a religious belief is something else entirely.

IN MEMORY OF BERNARD H. "BARNEY" ERHART

Mr. MOYNIHAN. Mr. President, I rise today to recognize the passing of prominent western New York State politician, Bernard H. "Barney" Erhart on July 6, 1994.

In the July 7, 1994, edition of the Buffalo News, Bill Price wrote a fitting memorial to this dedicated family man and public servant. Mr. President, I ask at this time that the article be included in the RECORD:

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

[From the Buffalo News, July 7, 1994]

BERNARD H. ERHART, DEAN OF WYOMING POLITICS, DIES

(By Bill Price)

SILVER SPRINGS.—Bernard H. "Barney" Erhart, considered the dean of Wyoming County politics, died Wednesday (July 6, 1994) in Wyoming County Community Hospital, Warsaw, after a long illness. He was 76.

He was supervisor for the Town of Gainesville for 30 years, retiring only last December. He was considered one of the longest-sitting town supervisors in the state.

Erhart also operated a real estate business, barber shop, Christmas tree farm and the Silver Springs Liquor Store, all in Silver Springs.

Born in Rochester, he moved to Wyoming County as a boy.

For several decades he gave free haircuts to patients in the Wyoming County Community Hospital and at area nursing homes and senior citizen facilities.

It was not uncommon for Erhart to deliver a bag of groceries to a needy family or elderly residents. Many families in need also received free Christmas trees from Erhart.

Among his many affiliations, Erhart was a member of the Silver Springs Fire Department, the former Silver Springs-Gainesville Kiwanis Club and the Bates-Courtney America Legion Post. He also was a member of St. Mary's Catholic Church.

Erhart retired from the Army in 1962 as a sergeant-major after a 23-year military career. He saw service during World War II, the Korean War and the Cuban missile crisis.

During his political career, Erhart was known for a friendly smile, hot cinnamon candies and the trademark greeting, "Hello Darling."

For years, Erhart routinely adjourned each session of the Wyoming County Board of Supervisors with a slam of his fist on his desk.

He was familiar with politicians at all levels, including presidents, governors and senators. His barber shop featured a "picture wall" of famous faces of politics from the 1960s through the '90s.

Those barbershop patrons getting their "ears lowered" sometimes would be surprised to see senatorial or congressional candidate seeking Erhart's support. One time, a youthful Robert F. Kennedy, then seeking the nomination for U.S. Senate from New York, showed up unexpectedly at his barbershop door.

From 1970 until his death he served as chairman of the Wyoming County Democratic Party.

A testimonial dinner last Aug. 1 attended by leaders on both sides of the political aisle honored Erhart for his many years of public service.

A longtime friend, former Wyoming County Judge John Conable, who was a Republican, called Erhart "the consummate politician."

"He always cared about his people and always wanted to know what was going on in Wyoming County and in the Town of Gainesville."

A portrait of Erhart and his wife, the former Frances Luzer, who died May 28, was presented to the Gainesville Town Library by members of the Gainesville Town Board in 1991.

Survivors include three daughters, Dr. Kathleen of Sausalito, Calif., Janet McQuade of Ontario, N.Y., and Elizabeth; a brother Lewis of Anchorage, Alaska; and two grandchildren.

A Mass of Christian Burial will be offered at 10 a.m. Saturday in St. Mary's Catholic Church, Church Street. Burial will be in the church cemetery.

IN HONOR OF THE PUBLIC HEALTH SERVICE ACT'S 50TH ANNIVERSARY

Mr. DURENBERGER. Mr. President, Tuesday, July 12, marks the 50th anniversary of the Public Health Service Act. In 1944, the Public Health Service [PHS] Act helped establish institutions that are dedicated to improving the health of the citizens of this Nation: The National Institutes of Health, the Centers for Disease Control and Prevention, and other agencies of the PHS. The 1944 law armed the PHS for a broader role—keeping Americans healthy.

PHS has built an excellent track record in a variety of areas to improve health. It rushes medical teams to earthquakes, floods, and other disasters. It supports birth control clinics and tracks and isolates such diseases as toxic shock syndrome. It identified AIDS. It led the world-wide drive that eliminated small pox. PHS research has garnered Nobel Prizes and has undertaken such watershed disease-prevention activities as the publication of the 1964 Surgeon General's Report on Smoking and Health and the 1988 mailing of Understanding AIDS to every household in America. At the same time, PHS helps the medically underserved by paying tuition for medical students who are willing to serve in isolated areas, and by supporting community and migrant health centers.

The 50 years of the modern PHS have seen great progress: Cardiovascular deaths have declined dramatically; diabetes mellitus is under better control; many cases of childhood leukemia are now curable; polio has not been seen in the United States since 1979; and researchers are on the verge of genetic breakthroughs and diagnostic and therapeutic revolutions.

In spite of that progress, individuals growing up today face substantial challenges in their everyday lives that contribute to their health and medical care needs. We are facing violence, drug abuse, accidents, infant mortality, and AIDS, among others. Individuals are not seeking prenatal and preventive care because they are faced with everyday problems of food, safety, and shelter. Until we address the underlying factors that contribute to the health of our citizens we will not be able to resolve our escalating medical care costs.

Prevention is critical not just because it is cheaper to prevent than to cure—prevention is better for people. The issue we must tackle as we reform our health care delivery system is how to create a system that builds in incentives for healthy personal behavior. I believe that preventive care cannot simply be mandated, we need to institutionalize a process to facilitate and promote change, specifically behavioral change.

In spite of advances in health care technology, the health of Americans is eroding due to poor personal choices. It has become increasingly evident that an individual's unhealthy behavior is most likely a determinant to heart disease, cancer, and stroke. Behaviors such as smoking, a high-fat diet, and obesity, lack of exercise and lifestyle choices which lead to high blood pressure and stress are subject to behavior modifications. Not far behind them are accidents, injuries, suicide, and homicide, many of which are generally preventable.

Every day over 1,000 Americans die from preventable diseases. Heart disease and lung cancer are two of the most prominent causes of death among men and women in the United States. Each year, 40 percent of deaths from heart disease and 85 percent of deaths from lung cancer in this country are attributable to smoking. It is not coincidental that as smoking has increased among women over the last decade, lung cancer is now surpassing breast cancer as the leading cause of cancer death for American women.

In addition, a mother's chemical dependency is an escalating social problem, as well as health problem. Premature infants suffering from crack addiction or fetal alcohol syndrome must endure more expensive care than a normal, healthy infant in the first year of life. In many cases, the consequences are apparent for a lifetime.

These spreading health problems stem from poverty, poor education, and lack of access to care that would prevent tuberculosis, AID's, and other scourges. Responsible family planning, prenatal care, and abstinence from drugs and alcohol during pregnancy would substantially reduce the incidence of premature births in this country.

Obviously, a problem exists and has been defined. However, I urge my colleagues to define this problem in the broadest possible manner. The Federal Government has articulated its acceptance of the economic problems associated with health care—spiraling medical costs have had a negative impact on both individuals and businesses in this country. Health reform needs to look beyond medicine and recognize the effect improvements in education, welfare and crime prevention will also have.

The entities created by the Public Health Service Act are attempting to tackle many of these problems. "Healthy Goals 2000" establishes goals that encompass the broader definition of health in this Nation. Any message on health care must communicate an understanding that health care costs and access have a personal impact on every American.

We must put the public back in public health. Unhealthy and self-destructive behavior, addiction, abuse, AID's, violence, and failure to maximize immunization and other preventive health care needs all feed inefficiencies into the system. Individuals must accept greater responsibility in health care delivery and the Federal Government must provide incentives for them to do so.

I want to stress the importance of prevention. Our lifestyles, families, and communities must all assume their fair share. We must remember that just because these are common problems does not mean they have a common Federal answer. Indeed, good health promotion and needed solutions to our current health dilemma are more effectively located at the State and local levels, through schools and most importantly through efforts by all Americans to focus and better understand the problem.

If we, as legislators, can encourage preventive care and wellness attitudes in our communities and as individuals, we can reduce violence, substance abuse, accidents, and smoking. As a result, we will see remarkable changes in the quality of our health and in our demands on the medical system.

The PHS is focusing on reaching public health goals set in 1990 for the turn of the century. I commend them on their past successes and applaud their continued efforts.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT RELATIVE TO EXPORTS TO THE PEOPLE'S REPUBLIC OF CHINA—MESSAGE FROM THE PRESIDENT—PM 131

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

Pursuant to the authority vested in me by section 902(b)(2) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101–246), and as President of the United States, I hereby report to the Congress that it is in the national interest of the United States to waive the restrictions contained in that Act on the export to the People's Republic of China of U.S.-origin satellites insofar as such restrictions pertain to the EchoStar project.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 13, 1994.*

ENROLLED BILLS SIGNED

The following enrolled bills, previously signed by the Speaker of the House, were signed on today, July 13, 1994, by the President pro tempore [Mr. BYRD]:

H.R. 3567. An act to amend the John F. Kennedy Center Act to transfer operating responsibilities to the Board of Trustees of the John F. Kennedy Center for the Performing Arts, and for other purposes; and

H.R. 4454. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1995, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3036. A communication from the Chairman of the National Education Commission on Time Learning, transmitting, pursuant to law, a report relative to the relationship between time and learning; to the Committee on Labor and Human Resources.

EC–3037. A communication from the Acting Assistant Secretary of Intergovernmental and Interagency Affairs, Department of Education, transmitting, pursuant to law, the annual report of the Commisssion on Educational Excellence for Hispanic Americans for fiscal year 1993; to the Committee on Labor and Human Resources.

EC–3038. A communication from the Assistant Secretary of Education for Postsecondary Education, transmitting, pursuant to law, the final regulations with respect to the Faculty Development Fellowship Program; to the Committee on Labor and Human Resources.

EC–3039. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report to Congress from the Interagency Task Force on the Prevention of Lead Poisoning; to the Committee on Labor and Human Resources.

EC–3040. A communication from the Secretary of Education, transmitting, pursuant to law, the final regulations with respect to administration of grants and agreements with institutions of higher education, hospitals, and other non-profit organizations; to the Committee on Labor and Human Resources.

EC–3041. A communication from the Board of Directors of the Railroad Retirement Board, transmitting, pursuant to law, the actuarial report for the railroad retirement system for calendar year 1992; to the Committee on Labor and Human Resources.

EC–3042. A communication from the Board of Directors of the Railroad Retirement Board, transmitting, pursuant to law, the 1994 report on the status of the railroad unemployment insurance system; to the Committee on Labor and Human Resources.

EC–3043. A communication from the Secretary of Education, transmitting, pursuant to law, the final regulations with respect to the Federal Family Education Loan Program; to the Committee on Labor and Human Resources.

EC–3044. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the annual report of the Student Loan Marketing Association for calendar year 1993; to the Committee on Labor and Human Resources.

EC–3045. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the report on Advisory and Assistance Services for fiscal year 1993; to the Committee on Agriculture, Nutrition and Forestry.

EC–3046. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the report on worst case needs for housing assistance in calendar years 1990 and 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC–3047. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report to Congress on direct spending or receipts legislation within five days of enactment; to the Committee on the Budget.

EC–3048. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation to authorize appropriations for fiscal years 1995 and 1996 for the Office of Commercial Space Transportation of the Department of Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC–3049. A communication from the Chairman of the Pennsylvania Avenue Development Corporation, transmitting, a draft of proposed legislation entitled "Pennsylvania Avenue Corporation Act of 1994"; to the Committee on Energy and Natural Resources.

EC–3050. A communication from the Secretary of Energy, transmitting, pursuant to law, the report on the summary of expenditures of rebates from the low-level radioactive waste surcharge escrow account for calendar year 1993; to the Committee on Energy and Natural Resources.

EC–3051. A communication from the Environmental Protection Agency, transmitting, pursuant to law, the report of point source discharges inside the baseline; to the Committee on Environment and Public Works.

EC–3052. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 10-265 adopted by the Council on June 7, 1994; to the Committee on Governmental Affairs.

EC–3053. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 10-266 adopted by the Council on June 7, 1994; to the Committee on Governmental Affairs.

EC–3054. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals, dated July 1, 1994; pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Armed Services, the Committee on Banking, Housing and Urban Affairs, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on the Judiciary, and the Committee on Small Business.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–587. A resolution adopted by the Board of Supervisors of the County of Chenango, New York relative milk price supports; to the Committee on Agriculture, Nutrition, and Forestry.

POM–588. A resolution adopted by the House of the General Assembly of the State of Illinois; to the Committee on Appropriations.

"HOUSE RESOLUTION

"Whereas, the Pentagon's Bottom-Up Review concluded that the next Nimitz-class nuclear aircraft carrier (CVN–76) is required if America is to maintain a 12-carrier fleet, the force structure needed to sustain peacetime forward presence and protect American interests in regional conflicts; and

"Whereas, this year Congress will consider the Administration's request for full funding of CVN–76, which will be constructed by Newport News Shipbuilding at its Virginia facilities; and

"Whereas, the Administration's plan calls for full funding of the carrier in FY 1995, with work on the ship beginning soon after October 1; and

"Whereas, CVN–76 could bring millions of dollars in contracts and jobs to the businesses and citizens of the State of Illinois; and

"Whereas, the possible benefits to Illinois will be much greater if the funding for 1995 is approved and the project is kept on schedule; Therefore, be it

"*Resolved, by the House of Representatives of the Eighty-Eighth General Assembly of the State of Illinois,* That we urge the Congress to support full funding of the CVN–76 aircraft carrier project in the 1995 budget; and be it further

"*Resolved,* That suitable copies of this resolution be presented to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Illinois Congressional delegation."

POM–589. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Energy and Natural Resources.

"LEGISLATIVE RESOLVE

"Whereas, the Alaska National Interest Lands Conservation Act (ANILCA) and the Tongass Land Management Plan define multiple use objectives for the Tongass National Forest; and

"Whereas, according to the Multiple Use Sustained Yield Act of 1960, national forest land is to be managed for a sustainable yield of various resources including water, fish, wildlife, and timber; and

"Whereas, the Tongass Land Management Plan is currently undergoing revision to see how these goals are being met and to provide direction for meeting these goals in the future; and

"Whereas, regeneration on harvested land in the Tongass National Forest has demonstrated that second growth yields can reach the 23,000 board feet per acre necessary to sustain a harvest of 450,000,000 board feet per year as designated in the Tongass Land Management Plan; and

"Whereas, in recent years, timber sales on the Tongass National Forest have been significantly reduced so that far less than 450,000,000 board feet are available; and

"Whereas, the economy of Southeast Alaska utilizes resources of the Tongass for commercial fisheries, recreation, tourism, mining, and timber harvest; and

"Whereas, the economy of Southeast Alaska is stable, has enabled the use of long-term bond financing for public service, and has attracted significant private capital investment; and

"Whereas, the timber industry of Southeast Alaska was developed based upon an expected annual harvest level of 450,000,000 board feet; and

"Whereas, Tongass National Forest timber resources accounted for about 2,500 of the annual average 3,600 private sector jobs directly generated by the forest products industry in Southeast Alaska in 1992, the last year for which accurate figures are available; and

"Whereas, the forest products industry in Southeast Alaska accounted for 24 percent of basic industry employment (including government), and 34 percent of all private basic industry employment, in 1992; and

"Whereas, workers in the forest products industry in Southeast Alaska, including loggers, road builders, stevedores, sawmill workers, and pulp mill workers earned approximately $146,000,000 in wages and salaries during 1992; and

"Whereas, forest products industry employment in Southeast Alaska has declined sharply since 1990, marked by the loss of $18,000,000 in payroll and more than 600 jobs, due to reduced timber harvests on the

Tongass and the near completion of the first harvest on private land; and

"Whereas, the United States Congress in 1980 enacted the Alaska National Interest Lands Conservation Act, which includes provisions designating 5,400,000 acres of the Tongass National Forest as part of the Wilderness Preservation System, and thus closed that land to timber harvest; and

"Whereas, an increase in the availability of timber for harvest on the Tongass National Forest could offset the lack of production of timber from private land and maintain the economic well-being of Southeast Alaska; and

"Whereas, a decline in the availability of timber to harvest on the Tongass National Forest will continue to cause the loss of jobs in the timber industry in Southeast Alaska and will significantly impair the economic well-being of the area as many communities are totally or otherwise very dependent on the timber industry as the sole or one of the largest employers in the community; and

"Whereas, the United States Congress in 1990 enacted the Tongass Timber Reform Act, thus closing an additional 1,100,000 acres of land to timber harvest through wilderness designations and management practices; and

"Whereas, timber availability is critical to the health of the forest products industry in Alaska, and the availability of timber in the Tongass National Forest will likely determine the future of the forest products industry in Alaska; and

"Whereas, the United States Congress controls the level of timber harvesting in the Tongass in part through the budget process and by these land designations acts; and

"Whereas, the United States Department of Agriculture, Forest Service, manages the Tongass National Forest and determines the availability of timber for harvest on the land not closed to timber harvest: Be it

Resolved, That the Alaska State Legislature respectfully requests the United States Congress to review the economic impact on the Southeast Alaska economy and the forest products industry of the wilderness designations imposed by the Alaska National Interest Lands Conservation Act of 1980, and the wilderness designations and changes in management practices mandated by the Tongass Timber Reform Act of 1990; and be it further

Resolved, That the Alaska State Legislature respectfully requests the United States Congress to provide sufficient funding to the United States Department of Agriculture, Forest Service, to facilitate offering for harvest the maximum amount of Tongass timber possible under current law while recognizing and protecting other resource values; and be it further

Resolved, That the Alaska State Legislature requests the United States Department of Agriculture, Forest Service, to manage the Tongass National Forest in order to provide maximum opportunity for timber harvest under current law while recognizing and protecting other resource values.

"Copies of this resolution shall be sent to the Honorable Bill Clinton, President of the United States; the Honorable Al Gore, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Thomas S. Foley, Speaker of the U.S. House of Representatives; the Honorable George Mitchell, Majority Leader of the U.S. Senate; the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska Delegation in Congress; and to Mr. Michael Espy, Secretary of the U.S. Department of Agriculture, and Mr. Jack Ward Thomas, Chief of the U.S. Forest Service."

POM-590. A joint resolution adopted by the Legislature of the General Assembly of the State of Illinois; to the Committee on Veterans' Affairs.

"HOUSE JOINT RESOLUTION

"Whereas, there is continuing controversy concerning the presence of American servicemen, who were listed as Prisoners of War or Missing in Action, being held against their will in the Southeast Asian nations of Vietnam, Laos, and Kampuchea (formerly Cambodia); and

"Whereas, the United States government has stated that all of our Prisoners of War have been returned from Vietnam; and

"Whereas, a recent top secret Vietnamese report, dating from 1972, by General Tran Von Kwong, Deputy Chief of Staff for the North Vietnamese Army, reported that in September of 1972 Hanoi held 1,205 American prisoners; and

"Whereas, only 591 American Prisoners of War have been released under the 1973 Peace Settlement; and

"Whereas, Vietnamese nationals who have moved to the united States have reported the appearance of American Prisoners of War still being held against their will in Southeast Asia; and

"Whereas, the President of Russia let it be known that the Soviet Union took American servicemen during the Vietnam War into the Soviet Union and that there is no adequate explanation concerning the whereabouts of these servicemen; and

"Whereas, there are still hundreds of documents in the United States Defense Department that have not been released to the public concerning the fate of American servicemen classified as Prisoners of War or Missing in Action; and

"Whereas, the United States government's intelligence agencies have taken the position of trying to discredit any information concerning the existence of American Prisoners of War, instead of demanding a full accounting from Vietnam, Laos, and Kampuchea based upon the information that has been received; and

"Whereas, there are 96 missing and unaccounted for servicemen in Southeast Asia from Illinois; and

"Whereas, the United States government has never entered into negotiations with the government of Laos or Kampuchea concerning the release of American Prisoners of War who were taken prisoner by the communists in Laos during the Vietnam War; and

"Whereas, the only reason for secrecy at this time would be to cover up the actions of politicians, bureaucrats, and negotiators who deliberately abandoned American Prisoners of War after the Vietnam War; and

"Whereas, the executive branch of the Federal government has put forth a pathetic effort to negotiate the release of Americans that may still be held in Southeast Asia, and is obstructing the discovery of any remaining servicemen; and

"Whereas, the legislative branch of the Federal government has failed to thoroughly investigate and honestly report on this tragedy, and, indeed, has even ordered the destruction of staff documents containing staff intelligence reports on this sensitive issue; and

"Whereas, the inferior courts of the federal judiciary have not granted relief to the American soldiers listed as Prisoners of War or Missing in Action; and

"Whereas, the United States Supreme Court is the last bastion that an American citizen has for redress of grievances and protection of Constitutional liberty against an oppressive federal executive and a duplicitous federal legislature; and

"Whereas, the United States Constitution, in Article III, section 2, states "In all cases affecting Ambassadors, other public Ministers and Counsels, and those in which a State shall be a Party, the Supreme Court shall have original jurisdiction"; and

"Whereas, any Americans who are still being held against their will in Southeast Asia as a result of the Vietnam War are having their right to liberty, that inherent and inalienable right by which they are endowed by our Creator, as guaranteed by the Declaration of Independence and the Constitution of the United States, violated: therefore be it

"*Resolved by the House of Representatives of the Eighty-Eighth General Assembly of the State of Illinois. (The Senate Concurring Herein.)* That we request the Attorney General of the State of Illinois, on behalf of the people of the State of Illinois, to file in the United States Supreme Court a cause of action against the government of the United States, especially the Department of Defense and the intelligence agencies, and also against the ambassadors or other public ministers and consuls of the governments of Vietnam, Laos, Kampuchea, Russia, and China, alleging violation of civil rights of the people of Illinois, especially alleging the violation of the right to life, liberty, and the pursuit of happiness of the following named citizens of the State of Illinois:

"Harold Joseph Alwan, USMC, of Peoria;

"Harry Arlo Amesbury, Jr., USAF, of Morrison;

"Gregory Lee Anderson, USAF, of Wheaton;

"Robert Donald Beutel, USAF, of Tremont;

"Wayne Bibbs, USA, of Blue Island;

"Timothy Roy Badden, USMC, of Downer's Grove;

"Arthur Ray Bollinger, USAF, of Greenville;

"Daniel Vernor Boran, Jr., USN, of Olney;

"James Alvin Branch, USAF, of Park Forest;

"Thomas Edward Brown, USN, of Danville;

"Robert Wallace Brownlee, USA, of Chicago;

"Bernard Ludwig Bucher, USAF, of Eureka;

"Kenneth Richard Buell, USN, of Kankakee;

"Park George Bunker, USAF, of Homewood;

"Michael John Burke, USMC, of Chicago;

"Joseph Henry Byrne, USAF, of Evanston;

"Ralph Laurence Carlock, USAF, of Des Plaines;

"John Werner Carlson, USAF, of Chicago;

"John Bernard Causey, USAF, of Granite City;

"Charles Peter Claxton, USAF, of Chicago;

"Dean Eddie Clinton, USA, of Dix;

"Ralph Burton Cobbs, USN, of East St. Louis;

"Willard Marion Collins, USAF, of Quincy;

"Joseph Bernard Copack, Jr., USAF, of Chicago;

"Kenneth Leroy Cunningham, USA, of Ellery;

"Patrick Robert Curran, USMC, of Bensenville;

"Raymond George Czerwiec, USA, of Chicago;

"Thomas Carl Daffron, USAF, of Pinckneyville;

"Randall David Dalton, USA, of Collinsville;
"James Leslie Dayton, USA, of Granite City;
"Richard Carl Deuter, USN, of Chicago;
"Michael E. Dunn, USN, of Naperville;
"Dennis Keith Eads, USA, of Prophetstown;
"William F. Farris, USN, of West Salem;
"Barry Frank Fivelson, USA, of Evanston;
"Ronald E. Galvin, USN, of River Forest;
"Carles Hue Gatewood, USMC, of Chicago;
"Donald Arthur Gerstel, USN, of Matteson;
"John Bryan Golz, USN, of Rock Island;
"Thomas E. Heideman, USAF, of Chicago;
"Robert D. Herreid, USA, of Aurora;
"Joseph Arnold Hill, USMC, of Taylorville;
"Anthony F. Housh, USA, of Newton;
"Roger B. Innes, USN, of Chicago;
"Michael James Jablonski, USA, of Chicago;
"Ronald James Janousek, USMC, of Posen;
"Jack Elmer Keller, USN, of Chicago;
"Kenneth Keith Knabb, Jr., USN, of Wheaton;
"Jeffery C. Lemon, USAF, of Flossmoor;
"Leonard J. Lewandowski, Jr., USMC, of Des Plaines;
"Notely G. Maddox, USAF, of Rockford;
"Richard Carlton Marshall, USAF, of Chicago;
"James Philip Mason, USA, of DeKalb;
"Glenn David McElroy, USA, of Sidney;
"James Patrick McGrath, USN, of Chicago;
"Carl Ottis McCormick, USAF, of Peoria;
"Robert Charles McMaran, USN, of Jacksonville;
"Roger Allen Meyers, USN, of Chicago;
"William John Moore, USAF, of Monmouth;
"Wayne Ellsworth Newberry, USAF, of E. St. Louis;
"Randall John Nightingale, USN, of Onarga;
"Joseph Paul Nolan, Jr., USA, of Oak Park;
"Michael David O'Donnell, USA, of Springfield;
"Floyd Warren Olsen, USA, of Wheaton;
"Warren Robert Orr, Jr., USA, of Kewanee;
"Donald E. Parsons, USA, of Sparta;
"Roger Dale Partington, USMC, of Sparta;
"Gordon Samuel Perisho, USN, of Quincy;
"James L. Phipps, USA, of Mattoon;
"Thomas Holt Pilkington, USA, of Morton Grove;
"Jerry Lynn Pool, USA, of Freeport;
"William Marshall Price, USMC, of Kewanee;
"Dennis M. Rattin, USA, of Bradley;
"Ronald R. Rexroad, USAF, of Rankin;
"Robert Paul Riggins, USAF, of Champaign;
"Billie Leroy Roth, USAF, of Lacon;
"Leland Charles Cooke Sage, USN, of Waukegan;
"Richard Eugene Sands, USA, of Springfield;
"Leroy Clyde Schaneberg, USAF, of Ashton;
"David Lee Scott, USA, of Carlock;
"David William Skibbe, USMC, of Des Plaines;
"Harold Victor Smith, USAF, of Bridgeport;
"Joseph Stanley Smith, USAF, of Assumption;
"Dean Paul St. Pierre, USAF, of Kankakee;
"James Clellon Story, USA, of Berwyn;
"John W. Swanson, Jr., USAF, of Arlington;
"Jerrold Allen Switzer, USMC, of Paris;
"Derri Sykes, USA, of Chicago;
"Oral D. Terry, USA, of Mascoutah;
"John C. Towle, USAF, of Harrisburg;
"Duston Cowles Trowbridge, USN, of Wayne;
"Martin D. Vandeneykel II, USA, of Wheaton;
"James Edward Whitt, USAF, of Penfield;
"Richard Dennis Wiley, USA, of Decatur;
"Robert Cyril Williams, USAF, of McLeansboro; and
"Robert John Zukowski, USAF, of Chicago; and be it further

"*Resolved*, That the Attorney General of the State of Illinois, in filing this suit, shall demand that the Department of Defense, the intelligence agencies, the governments of Vietnam, Laos, Kampuchea, Russia, and China turn over all documents concerning Prisoners of War and Missing in Action in Laos, Kampuchea, and Vietnam: and be it further

"*Resolved*, That the sister forty-nine states of the United States of America be urged to join in this action on behalf of their state and the citizens of their state who are being held in captivity in Southeast Asia: and be it further

"*Resolved*, That a suitable copy of this preamble and resolution be forwarded to the Attorney General of the State of Illinois, to the United States Supreme Court, to the President of the United States, to the Speaker of the United States House of Representatives, to the President of the United States Senate, to the members of the Illinois congressional delegation, and to the clerks of the respective Houses and Senates of our sister forty-nine states."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2281. An original bill to reduce homelessness, reform public housing, expand and preserve affordable housing, encourage homeownership, ensure fair housing for all, and empower communities, and for other purposes (Rept. No. 103-307).

By Mr. NUNN, from the Committee on Armed Services, with amendments:

H.R. 4429. A bill to authorize the transfer of naval vessels to certain foreign countries.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROCKEFELLER (by request):

S. 2279. A bill to amend title 38, United States Code, to make discretionary the financial reporting requirements applicable to recipients of certain need-based benefits; to the Committee on Veterans Affairs.

By Mr. ROBB (for himself and Mr. WARNER):

S. 2280. A bill to provide for an orderly process to ensure compensation for the termination of an easement or the taking of real property used for public utility purposes at the Manassas National Battlefield Park, Virginia, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. RIEGLE:

S. 2281. An original bill to reduce homelessness, reform public housing, expand and preserve affordable housing, encourage homeownership, ensure fair housing for all, and empower communities, and for other purposes; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. KERRY:

S. 2282. A bill to amend title V of the Trade Act of 1974 to provide incentives for developing countries to develop and implement strong environmental protection programs, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD:

S. Res. 241. A resolution to amend rule XVI of the Standing Rules of the Senate relating to amendments to appropriation bills in the Senate; to the Committee on Rules and Administration.

By Mr. CAMPBELL (for himself, Mr. BAUCUS, Mr. JOHNSTON, Mr. REID, Mr. BRYAN, Mr. BINGAMAN, Mr. DECONCINI, Mr. BURNS, Mr. PACKWOOD, Ms. MIKULSKI, Mr. BUMPERS, Mr. DASCHLE, Mr. CRAIG, Mr. MATHEWS, Mr. BROWN, Mr. DORGAN, Mr. BIDEN, Mr. HATFIELD, Mr. KEMPTHORNE, Mr. DOLE, and Mr. STEVENS):

S. Res. 242. A resolution honoring the 14 Federal firefighters who died while fighting a wildfire near Glenwood Springs, Colorado; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROCKEFELLER (by request):

S. 2279. A bill to amend title 38, United States Code, to make discretionary the financial reporting requirements applicable to recipients to certain need-based benefits; to the Committee on Veterans' Affairs.

VETERANS' BENEFITS INCOME VERIFICATION AMENDMENT OF 1994

Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 2279, a bill to make discretionary the financial reporting requirements applicable to recipients of certain need-based benefits. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated May 17, 1994.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Committee on Veterans' Affairs. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed

in the RECORD, together with Secretary Brown's transmittal letter.

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

S. 2279

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Benefits Income Verification Amendments of 1994".

SEC. 2. RELAXATION OF MANDATORY ELIGIBILITY VERIFICATION REPORTING REQUIREMENTS.

(a) DEPENDENCY AND INDEMNITY COMPENSATION FOR PARENTS.—Section 1315(e) of title 38, United States Code, is amended—

(1) in the first sentence—

(A) by striking out "shall" and inserting in lieu thereof "may"; and

(B) by striking out "each year" and inserting in lieu thereof "for a calendar year"; and

(2) in the second sentence—

(A) by striking out "revised"; and

(B) by striking out "the estimated".

(b) PENSION.—Section 1506 of such title is amended—

(1) in paragraph (2)—

(A) by striking out "shall" and inserting in lieu thereof "may"; and

(B) by striking out "each year" and inserting in lieu thereof "for a calendar year"; and

(2) in paragraph (3)—

(A) by striking out "estimated" each time it appears; and

(B) by striking out "such applicant's or recipient's estimate of".

THE SECRETARY OF VETERANS AFFAIRS,
Washington, DC, May 17, 1994.

Hon. ALBERT GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill entitled the "Veterans' Benefits Income Verification Amendments of 1994." I request that this bill be referred to the appropriate committee for prompt consideration and enactment.

The draft bill would eliminate the current mandatory requirement that all recipients of pension or parents' dependency and indemnity compensation (DIC) submit to the Department of Veterans Affairs (VA) annually an eligibility verification report (EVR) providing information on their income and net worth. Instead, the draft bill would give VA discretionary authority to require such reports where necessary to determine eligibility. The Draft bill would specify that such reports are to be submitted on a calendar-year basis.

A majority of the veterans and surviving spouses who receive VA pension either have no other income or have no other income except Social Security benefits. An analysis performed in July 1992 indicated that, of 939,151 veterans and surviving spouses on the pension rolls at that time, 197,611 had no other source of income and 518,576 had only Social Security income in addition to VA pension. Thus, only 222,964 (approximately 24 percent) of those sampled had income other than VA pension and Social Security benefits. Although a similar analysis was not performed with regard to the recipients of parents' DIC, we would anticipate that a study of that group could yield similar results.

VA currently has in place computer-matching programs with both the Social Security Administration and the Internal Revenue Service which assist VA in verifying the income of recipients of need-based benefits administered by this Department. The information gathered under these matching programs is sufficient to warrant suspension of the requirement of annual EVR's in many cases.

If given this authority, VA would develop criteria for exemptions that are consistent with the need to maintain program integrity, and implement the policy through notice-and-comment rulemaking so that veterans service organizations and other interested parties would have an opportunity to comment on the policy.

VA's Compensation and Pension (C&P) Service projects that, under current statutory requirements, approximately 321 full-time equivalent employees (FTEE) will be required to process EVR's in fiscal year 1994. Once the final regulations implementing the exemptions for reporting are in place, the FTEE necessary to process EVR's will decrease.

Implementation of this proposal would also have a beneficial impact on other regional office operations. VA mail rooms would be required to handle fewer EVR's, and the Veterans Services Divisions would receive fewer visits and telephone calls requesting assistance in completing EVR's. In addition, the contemplated reduction in pending C&P claims would decrease the number of status inquiries received by VA, thus further increasing efficiency of operations. Further, the reduced volume of EVR's would allow conversion to a system in which EVR's would be submitted on a calendar-year basis, thereby providing increased convenience to beneficiaries.

VA would keep all beneficiaries advised of the requirement to report any changes in income or other matters which might affect benefit entitlement. For each beneficiary who would not receive an EVR as a result of this change, VA intends to advise the beneficiary by letter of his or her legal obligation in this regard and provide information on how to file a report concerning any change in income. It is anticipated that this action, together with continued use of computer-match information to verify entitlement, should ensure that no increase in payments to ineligible claimants will result from the proposed amendment. Thus, enactment of this proposal would reduce administrative costs and result in no increase in benefit costs.

We urge that the Senate promptly consider and pass this legislative item.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,

JESSE BROWN.

By Mr. ROBB (for himself and Mr. WARNER):

S. 2280. A bill to provide for an orderly process to ensure compensation for the termination of an easement or the taking of real property used for public utility purposes at the Manassas National Battlefield Park, VA, and for other purposes; to the Committee on Energy and Natural Resources.

THE MANASSAS NATIONAL BATTLEFIELD PARK AMENDMENT OF 1994

Mr. ROBB. Mr. President, today I would like to introduce legislation, known as the Manassas National Battlefield Park Amendments of 1994, which makes a technical correction to the Manassas National Battlefield Park Amendments of 1988.

This legislation is necessary to avoid expensive litigation.

Both Virginia Power and the National Park Service support passage of this bill because it will provide the necessary time to complete the required public reviews, which could take substantial time beyond November 1994. Should the statute of limitations not be extended, it will be necessary for Virginia Power to prepare and file legal action before November 10, 1994 to preserve their rights under the fifth amendment.

In 1988, Congress passed the Manassas National Battlefield Park Amendments of 1988 which instituted a legislative taking of land in Manassas, VA for the purposes of adding to it the park. When the Government acquired the land at Manassas, it also acquired some electric power lines owned by Virginia Power. These lines and towers are an integral part of Virginia Power's transmission system, serving customers in northern Virginia and south into North Carolina and interconnecting with utilities in other parts of the northeast.

Unfortunately, Virginia Power has not yet been compensated by the Government for the value of the condemned property which is estimated at $50 to $60 million.

This legislation, cosponsored by the distinguished senior Senator from Virginia, Senator WARNER, would provide for an orderly process to ensure compensation for the termination of the easement or the taking of real property used for public utility purposes at the Manassas National Battlefield Park. It is the companion to H.R. 4435, sponsored by Representative WOLF in the House of Representatives.

Virginia Power and the Park Service have worked together and arrived at a tentative agreement regarding this situation. Virginia Power and the National Park Service staff have concentrated on identifying a suitable route to relocate the transmission lines. This has involved preparation of an Environmental Assessment by the National Park Service, preparation of a Virginia State Corporation Commission application by Virginia Power and meetings with the public.

In order to protect the historic resource of the historic park, these parties have agreed to move the power lines about 400 feet to the perimeter of the park. The Park Service would grant Virginia Power an easement for the lines.

This legislation would alleviate the need and costs of litigation—which could affect taxpayers and Vepco ratepayers. In addition, this legislation would allow Virginia Power and the National Park Service to continue to work together to complete this project

in an orderly and cost-effective fashion.

By Mr. KERRY:

S. 2282. A bill to amend title V of the Trade Act of 1974 to provide incentives for developing countries to develop and implement strong environmental protection programs, and for other purposes; to the Committee on Finance.

THE SUSTAINABLE DEVELOPMENT THROUGH TRADE ACT OF 1994

• Mr. KERRY. Mr. President, I am proud today to introduce a bill with which I hope to promote the dual interests of free trade and environmental protection, the Sustainable Development Through Trade Act of 1994. This bill proposes modifications to the United States' Generalized System of Preferences program. It would give the President tools with which to expand trade with developing countries which take strong steps to protect their environmental resources.

Mr. President, the Generalized System of Preferences program, or GSP, is the most important program governing U.S. trade with developing countries. Through it, the U.S. grants preferential treatment to certain developing country exports. Clearly, GSP is a potentially powerful tool for promoting sustainable development worldwide. Unfortunately, today GSP is failing to meet this potential for two reasons.

First, GSP does not include any mechanisms for encouraging countries which receive GSP benefits to protect the environment. This is true despite the fact that promoting sustainable development is a declared U.S. foreign policy objective. For example, Brazil and Indonesia are only two of the 132 countries which benefited from GSP in 1991. That year, they garnered 12 percent of all GSP benefits. Brazil and Indonesia harbor important environmental resources. Specifically, they are home to nearly 40 percent of the world's remaining rainforests. Both countries are clearing their rainforests for timber production and agricultural expansion at alarming rates. Besides the environmental importance of these rainforests, they also contain a wealth of biological treasures which the biotechnology industry has only begun to explore.

My proposal would allow the President to encourage countries like Brazil and Indonesia to protect environmental resources in exchange for GSP benefits.

A second concern with today's GSP program is that it provides virtually no benefits for many of the developing countries it was designed to assist. In 1991, less than 1 cent of every GSP dollar went to the world's 40 least-developed countries. This is ironic, since, according to several international agreements, such countries are supposed to enjoy special status under GSP.

Moreover, the vast majority of least-developed countries are in Sub-Saharan Africa, a region plagued by chronic economic crises exacerbated by negative trade balances. Last month AID Administrator Brian Atwood and Representative TONY HALL, chairman of the Congressional Hunger Caucus, led a Presidential mission to Rwanda and about 10 other countries in Africa. They concluded that if the United States wants to help avoid future Rwandas—and Somalias and Ethiopias—it must do more to promote long-term development in that region.

Thus, my proposal would expand GSP benefits for least-developed countries in Africa.

I should note that, although I support extension and reform of the GSP program, the Sustainable Development Through Trade Act does not include an extension of GSP. My intent in introducing this legislation is to propose language which I hope would be included in a comprehensive GSP extension and reform bill.

I urge my colleagues to support the goals of the Sustainable Development Through Trade Act of 1994 and to work to include its provisions in any GSP legislation that passes this body.

I urge my colleagues to support passage of the Sustainable Development Through Trade Act of 1994.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

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

S. 2282

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sustainable Development Through Trade Act of 1994".

SECTION 2. ENVIRONMENTAL PROTECTION INCENTIVES.

(a) WAIVER FOR ENVIRONMENTAL PROTECTION ACTION.—Section 504(c)(3) of the Trade Act of 1974 (19 U.S.C. 2464(c)(3)) is amended—

(1) in subparagraph (A) by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) is advised by the Administrator of the Environmental Protection Agency, the Administrator of the National Oceanic and Atmospheric Administration, and the Secretary of the Interior, that the beneficiary developing country is taking action to protect environmental resources, including ecosystems, that have environmental, economic, or national security significance for the United States."; and

(2) in subparagraph (B), by striking "and" at the end of clause (i), by striking the period at the end of clause (ii) and inserting ", and", and by adding at the end the following new clause:

"(iii) the extent to which such country is taking action to protect environmental resources, including ecosystems, that have environmental, economic, or national security significance for the United States.".

(b) LEAST-DEVELOPED COUNTRIES.—Section 503 of the Trade Act of 1974 (19 U.S.C. 2463) is amended by adding at the end the following new subsection:

"(d) Notwithstanding any other provision of law, the President may designate any article that is the growth, product, or manufacture of a least-developed beneficiary developing country as an eligible article under subsection (a), unless the President determines that such article is an import-sensitive article in the context of imports from such least-developed beneficiary developing country.".•

ADDITIONAL COSPONSORS

S. 359

At the request of Mr. DECONCINI, the names of the Senator from California [Mrs. FEINSTEIN] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 359, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Law Enforcement Officers Memorial, and for other purposes.

S. 1415

At the request of Mr. PRYOR, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1415, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 1690

At the request of Mr. PRYOR, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1690, a bill to amend the Internal Revenue Code of 1986 to reform the rules regarding subchapter S corporations.

S. 1956

At the request of Mr. SHELBY, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1956, a bill to amend the Consumer Credit Protection Act to improve disclosures made to consumers who enter into rental-purchase transactions, to set standards for collection practices, and for other purposes.

S. 1962

At the request of Mr. DODD, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1962, a bill to provide for demonstration projects in 6 States to establish or improve a system of assured minimum child support payments.

S. 1976

At the request of Mr. DODD, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1976, a bill to amend the Securities Exchange Act of 1934 to establish a filing deadline and to provide certain safeguards to ensure that the interests of investors are well protected under the

implied private action provisions of the Act.

S. 2007

At the request of Mr. WOFFORD, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of S. 2007, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the end of World War II and Gen. George C. Marshall's service therein.

S. 2062

At the request of Mr. INOUYE, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 2062, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit the movement in interstate commerce of meat and meat food products and poultry products that satisfy State inspection requirements that are at least equal to Federal inspection standards, and for other purposes.

SENATE JOINT RESOLUTION 165

At the request of Mr. COCHRAN, the names of the Senator from Kentucky [Mr. FORD] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of Senate Joint Resolution 165, a joint resolution to designate the month of September 1994 as "National Sewing Month."

SENATE JOINT RESOLUTION 182

At the request of Mr. JOHNSTON, the names of the Senator from Florida [Mr. MACK], the Senator from Delaware [Mr. ROTH], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of Senate Joint Resolution 182, a joint resolution to designate the year 1995 as "Jazz Centennial Year."

SENATE JOINT RESOLUTION 185

At the request of Mr. D'AMATO, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of Senate Joint Resolution 185, a joint resolution to designate October 1994 as "National Breast Cancer Awareness Month."

SENATE JOINT RESOLUTION 198

At the request of Mr. PRYOR, the names of the Senator from Tennessee [Mr. SASSER], the Senator from New Jersey [Mr. BRADLEY], the Senator from Virginia [Mr. WARNER], the Senator from Washington [Mr. GORTON], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Texas [Mrs. HUTCHISON], the Senator from Maine [Mr. COHEN], the Senator from Idaho [Mr. CRAIG], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Florida [Mr. GRAHAM], the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Texas [Mr. GRAMM], the Senator from Maryland [Ms. MIKULSKI], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint Resolution 198, a joint resolution designating 1995 as the "Year of the Grandparent."

SENATE JOINT RESOLUTION 206

At the request of Mr. WOFFORD, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 206, a joint resolution designating September 17, 1994, as "Constitution Day."

SENATE RESOLUTION 241—TO AMEND RULE XVI OF THE STANDING RULES OF THE SENATE

Mr. BYRD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 241

Resolved, That paragraph 4 of rule XVI of the Standing Rules of the Senate is amended by—

(1) inserting "as passed by the House or as reported to the Senate," after "contained in the bill";

(2) striking "relevancy of amendments under this rule" and inserting "relevancy or germaneness of amendments under this paragraph";

(3) striking "submitted to the Senate and be decided without debate" and inserting "ruled on by the chair";

(4) inserting "(a)" after "4."; and

(5) adding at the end thereof the following:

"(b)(1) An affirmative vote of three-fifths of the Senators, duly chosen and sworn, shall be required to overturn a ruling of the Chair regarding questions of germaneness, relevancy, or legislation under this paragraph.

"(2) This paragraph may be waived with respect to an amendment by the affirmative vote of three-fifths of the Senators, duly chosen and sworn.".

SENATE RESOLUTION 242—RELATIVE TO FEDERAL FIREFIGHTERS

Mr. CAMPBELL (for himself, Mr. BAUCUS, Mr. JOHNSTON, Mr. REID, Mr. BRYAN, Mr. BINGAMAN, Mr. DECONCINI, Mr. BURNS, Mr. PACKWOOD, Ms. MIKULSKI, Mr. BUMPERS, Mr. DASCHLE, Mr. CRAIG, Mr. MATHEWS, Mr. BROWN, Mr. DORGAN, Mr. BIDEN, Mr. HATFIELD, Mr. KEMPTHORNE, Mr. DOLE, and Mr. STEVENS) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 242

Whereas on July 6, 1994, 14 Federal firefighters from the United States Forest Service and the Bureau of Land Management perished while heroically fighting a raging wildfire on Storm King Mountain near Glenwood Springs, Colorado;

Whereas the firefighters died when they were overswept by a wildfire whipped by high and erratic winds;

Whereas the 14 firefighters who gave their lives were Kathi J. Beck, hot shot crewmember, Prineville, Oregon, Tamara J. Bickett, hot shot crewmember, Prineville, Oregon, Scott A. Blecha, hot shot crewmember, Prineville, Oregon, Levi Brinkley, hot shot crewmember, Prineville, Oregon, Robert Browning, helitack, Grand Junction, Colorado, Douglas Dunbar, hot shot crewmember, Prineville, Oregon, Terri A. Hagen, hot shot crewmember, Prineville, Oregon, Bonnie J. Holtby, hot shot crewmember, Prineville, Oregon, Robert A. Johnson, hot shot crewmember, Prineville, Oregon, Jon R. Kelso, hot shot squad leader, Prineville, Oregon, Donald Mackey, smokejumper, Missoula, Montana, Roger Roth, smokejumper, McCall, Idaho, James Thrash, smokejumper, McCall, Idaho, and Richard Tyler, helitack, Grand Junction, Colorado; and

Whereas these brave men and women gave their lives in an attempt to protect American lives, property, and natural resources: Now, therefore, be it

Resolved, That the Senate honors, and will always remember, the 14 Federal firefighters who died on July 6, 1994, for their heroic efforts in trying to contain a fire on Storm King Mountain near Glenwood Springs, Colorado, in order to protect American lives, property, and natural resources.

Mr. CAMPBELL. Mr. President, last week, while we and millions of other Americans were celebrating the Nation's 218th birthday on the 4th of July, a wisp of smoke was detected on Storm King Mountain just west of Glenwood Springs, in my State of Colorado. At the time, many of the residents of Colorado's Western Slope were concerned about the small fire, but confident that land management agencies would deal with it, as they were dealing with the many other wildfires already burning around the hot, dry West.

Summer wildfires are not new to us westerners. We know that when a column of smoke is spotted, often by someone manning a remote fire lookout high atop some mountain, that young men and women, clad in their trademark yellow fire shirts, will always respond. We often see these people, hard at work with their shovels, pulaskis, hoses, and chain saws on steep mountain slopes, protecting life, property, and natural resources all over the West. Every summer, Americans watching television news programs see such ground crews, along with spectacular shots of air-tankers and helicopters dropping water and retardant on fires somewhere in the West.

The 52 men and women responding to that column of smoke on Storm King Mountain were among the best of the best Federal firefighters; they included smokejumpers, helitack and hotshots crews. These are crews that have developed a well-deserved reputation of doing their job exceptionally well, and, considering the risk of the profession, have a tremendously good safety record. Maybe that is why we were all so unprepared for what went so terribly wrong last week.

It was last Wednesday afternoon, the 6th of July, when these 52 firefighters were trying to contain the blaze, that high winds struck the area, whipping a small fire into a fire storm. Many of these brave young people found themselves trapped, their planned escape

routes blocked by sheets of flame. When the blowup, as firefighters commonly call it, was over, 14 people were unaccounted for. As officials began searching for the individuals who did not come out, they began to recognize that there was a terrible tragedy in the making and, in minutes, Storm King became "fire king."

Fourteen firefighters perished on the South Canyon fire that afternoon. Several others were injured. I believe it is appropriate that the Senate honor the brave men and women, who were employees of the U.S. Forest Service and Bureau of Land Management, who gave their lives that day. They were: Kathi J. Beck, Tamara J. Bickett, Scott A. Blecha, Levi Brinkley, Robert Browning, Douglas Dunbar, Terri A. Hagen, Bonnie J. Holtby, Robert A. Johnson, Jon R. Kelso, Donald Mackey, Roger Roth, James Thrash, and Richard Tyler.

We are tremendously grateful to these people for what they were trying to do in protecting the lives, property, and resources of Colorado citizens. Our hearts go out to their surviving comrades, family, and freinds. We will always remember their heroism.

Today I am submitting a commemorative resolution recognizing their sacrifice. I encourage my colleagues to join me, and the citizens of Colorado, as original cosponsors to show their respect by supporting this resolution.

• Mr. BURNS. Mr. President, as we pause to honor these brave Americans, I would like to pay tribute to Don Mackey, a smokejumper from Hamilton, MT, who died while trying to save the lives of others.

Quentin Rhoades, a Montana firefighter who survived the fire reported that Don Mackey saved Rhoades' life and the life of seven other smoke jumpers. It was only when Mackey returned to the fire trying to save more lives that he lost his own. "If (Mackey) would have stayed with us, he would have lived," Rhoades said.

Mr. President, Montana is experienced with the tragedies wildfires bring. The Mann Gulch fire of 1949 was a wildfire with disturbing similarities to the one on Storm King Mountain 1 week ago. Mr. President, on behalf of Montanans who are all too familiar with the horrible destruction these wildfires can cause, I would like to pay tribute to Don Mackey and the other brave firefighters who lost their lives in the Storm King Mountain fire on July 6, 1994.•

• Mr. PACKWOOD. Mr. President, nine Federal firefighters came home to Oregon yesterday.

Usually such a homecoming would be a normal and happy turn of events, unmarked and unnoticed except for their immediate family and close friends who knew they were off battling yet another big fire to save the lives, livestock, and property of strangers.

But this homecoming was marked by immense grief, for these firefighters were killed when they were overswept by a wildfire whipped by high and erratic winds on a Colorado mountainside. They came home in a DC–3, wrapped in an American flag.

These firefighters were typical hardworking, self-sacrificing Oregonians, many of whom hail from small communities. They were, by and large, young, which makes it doubly hard to accept their loss. My heartfelt condolences go out to their families and friends, and to their hometowns.

Today I cosponsored a resolution to honor all 14 of the Federal firefighters who were caught in that devastating blaze near Glenwood Springs, CO. These men and women gave their lives in a successful effort to protect the lives and property of other Americans, and our natural resources. They are heroes and should be recognized as such.•

• Mr. BROWN. Mr. President, last week, we in Colorado were reminded that nature is a powerful force. Fires in nearly a dozen separate sites, most started by lightening strikes, ravaged the mountainous terrain of western Colorado.

Even more unfortunate than the burning of thousands of acres of America's most beautiful countryside, was the tragic loss of 14 firefighters. By all accounts, the fire erupted as high winds accompanying a cold front blew into the canyon where 52 firefighters were battling a 50-acre fire. Strong winds typically herald the arrival of a front. But the usually predictable winds of 20 to 30 miles per hour high in the sky may have accelerated to 40 to 50 miles per hour on the ground. Within hours, the fire erupted from 50 acres to 2,200. In moments, the fire topped the ridge, blown from behind. Then fierce crosswinds forced the flames back down onto the firefighters.

The crews split up and sprinted through the thin 7,000-foot air for the prearranged escape routes; 38 made it. Of the 14 who died, 9, 5 men and 4 women, were part of a hot shot crew based in Prineville, OR. It is my hope that Senators HATFIELD and PACKWOOD will help me in extending the sympathy and the thanks of all Coloradans to this community and the families of these brave men and women.

I also take this opportunity to offer words of commendation and comfort to the family of Richard Tyler of Palisades, CO. There is no higher service than a sacrifice for your own State and community. Richard Tyler's sacrifice was much greater than that usually asked of Colorado citizens.

I commend Secretaries Espy and Babbitt for initiating a board of inquiry into the incident which led to this tragic loss of life. These individuals lost their lives protecting the beauty that is Colorado, and the homes of Coloradans who enjoy this majesty. We must have the facts, so that never again will we place our firefighters in a position that leads to such an excessive loss of life.

In Glenwood Springs, CO, a city that was threatened by the same fire that took these brave individuals lives, the citizens are raising funds to erect a memorial to their sacrifice. Long after the grass and seedlings erase the horror of last week, those who live in this Colorado community will remember.

Again, I take this opportunity to share my sympathy with the families of those who sacrificed their lives to halt the wildfires in Colorado. Their bravery and sacrifice will not be forgotten quickly by those whose homes were at risk.•

AMENDMENTS SUBMITTED

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1995

LEAHY AMENDMENT NO. 2238

Mr. LEAHY proposed an amendment to the bill (H.R. 4426) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1995; and follows:

On page 89, line 12 of the Committee reported bill, strike "in" and all that follows through "Act" on line 16 and insert in lieu thereof: "notwithstanding any other provision of law".

On page 99, line 11 of the Committee reported bill, after "country." insert: "The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961."

On page 10, line 1 of the Committee reported bill, after the word "activities" insert: "notwithstanding any other provision of law".

THURMOND (AND OTHERS) AMENDMENT NO. 2239

Mr. THURMOND (for himself, Mr. PRESSLER, Mr. HELMS, and Mr. CRAIG) proposed an amendment to the bill H.R. 4426, supra; as follows:

To the first committee amendment, at the end of the amendment insert the following:

SEC. . SENSE OF THE SENATE ON URUGUAY ROUND IMPLEMENTATION.

(a) FINDINGS.—The Senate makes the following findings:

(1) the United States recently signed the Uruguay Round Agreement which included among its provisions the establishment of a new supranational governing body known as the World Trade Organization (hereafter in this section referred to as the "WTO").

(2) The legislation approving fast track authority and giving the executive branch negotiators specific objectives did not authorize the elimination of the current General Agreement on Tariffs and Trade structure and the creation of a new, more powerful world-governing institution.

(3) The Congress has the constitutional prerogative to regulate foreign commerce

and may be ceding such authority to the WTO.

(4) The initial membership of the WTO is 117 nations. The United States will have only one vote and no veto rights in the WTO.

(5) The single vote structure will give the European Union the capacity to out vote the United States 12 to 1. It will also give the island nation of St. Kitts, with a population of 60,000, the same voting power as the United States.

(6) The United States will have less than 1 percent of the total vote, but will be assessed almost 20 percent of the total cost of operating the WTO.

(7) The one vote-no veto structure of the WTO will increase the power of nations, which are not democracies and do not share our Nation's traditional notions of capitalism and freedom.

(8) Any United States law can be challenged by a WTO member as an illegal trade barrier and such challenge will be heard by a closed tribunal of 3 trade lawyers.

(9) The United States must eliminate any law that a WTO tribunal finds to be in conflict with the trade rules of the WTO or the United States will face severe trade sanctions.

(10) The WTO would effectively set the parameters within which United States Federal, State, and local legislators can maintain or establish domestic policy on the broad array of issues covered under the nontariff provisions of the WTO.

(11) State officials have no standing before WTO tribunals even if a State law is challenged as an illegal trade barrier.

(12) The WTO would require the United States Federal Government to preempt, sue, or otherwise coerce States into following the WTO trade rules which the States did not negotiate and to which they are not a legal party.

(13) The Attorneys General from 42 States have signed a letter to the President expressing their concern over States rights under the WTO and have asked for a summit to discuss these issues.

(14) WTO decisions could result in shifts in State and local tax burdens from foreign multi-national corporations to American businesses, farmers, and homeowners.

(15) Under pay-as-you-go budget rules, the revenue losses from tariff reductions must be offset over a 10-year period.

(16) The Congressional Budget Office has estimated that such tariff reductions will cost approximately $40,000,000,000.

(17) When the United States joined other supranational governing bodies, the United States retained rational precautions, such as a permanent seat on the Security Council and veto rights in the United Nations, and a voting share in the International Monetary Fund that is commensurate with its role in the global economy.

(18) The WTO Agreement prohibits unilateral action by the United States including action against predatory and unfair trade actions of other member nations.

(19) The dispute settlement mechanisms to be used by the WTO will be conducted in secret and in a manner that is not consistent with the guarantees of judicial impartiality and due process which characterize the United States judicial tradition.

(20) The WTO Agreement is already resulting in substantial changes and erosion of existing United States law.

(21) Neither the United States Congress nor the American people have had an opportunity to analyze and debate the long-term impact of United States membership in the WTO.

(22) Traditionally the United States has entered into international obligations that impact on domestic sovereignty and law and that have the legal statute and permanence that the WTO has, by using treaty ratification procedures.

(23) The United States Senate rejected, on sovereignty grounds, executive branch attempts to secure ratification of a similar supranational organization known as the International Trade Organization when it was offered repeatedly between 1947 and 1950. The Organization for Trade Cooperation was rejected by the Senate in 1955.

(24) Under the rules of fast track, the United States Senate cannot change or amend provisions creating the WTO and is limited to 20 hours of debate.

(b) POLICY.—It is the policy of the Senate that—

(1) a task force composed of members of Congress and the executive branch be established to study and report to the Congress and the President within 90 days on whether the provisions creating the World Trade Organization should be treated as a treaty or an executive agreement, and

(2) a 90-day period be allowed before the introduction of the Uruguay Round implementation legislation and that during that period additional Congressional hearings be held to consider the full ramifications of the United States joining the WTO, including the impact that joining the WTO will have on State and local laws.

McCONNELL (AND OTHERS) AMENDMENT NO. 2240

Mr. McCONNELL (for himself, Mr. McCAIN, Mr. D'AMATO, Mr. DOLE, Mr. HELMS, Mr. LAUTENBERG, Mr. DECONCINI, and Mr. BYRD) proposed an amendment to the bill H.R. 4426, supra; as follows:

At the end of the committee amendment on page 2, add the following:

"SEC. . (a) RESTRICTION.—None of the funds appropriated or otherwise made available by this Act may be obligated for assistance for the Government of Russia after August 31, 1994 unless all armed forces of Russia and the Commonwealth of Independent States have been removed from all Baltic countries or that the status of those armed forces have been otherwise resolved by mutual agreement of the parties.

"(b) Subsection (a) does not apply to assistance that involves the provision of student exchange programs, food, clothing, medicine or other humanitarian assistance or to housing assistance for officers of the armed forces of Russia or the Commonwealth of Independent States who are removed from the territory of Estonia, Latvia, Lithuania, or countries other than Russia.

"(c) Subsection (a) does not apply if after August 31, 1994, the President determines that the provision of funds to the government of Russia is in the national security interest.

"(d) Section 568 of this Act is null and void."

DOLE (AND LEVIN) AMENDMENT NO. 2241

Mr. DOLE (for himself and Mr. LEVIN) proposed an amendment to the bill H.R. 4426, supra; as follows:

On page 23, line 21, delete "(m)" and insert the following new subsection:

(m) Not less than $5 million of the funds appropriated under this heading shall be made available for the capitalization of a Trans-Caucasus Enterprise Fund.

DOLE (AND LIEBERMAN) AMENDMENTS NOS. 2242–2244

Mr. DOLE (for himself and Mr. LIEBERMAN) submitted three amendments to the bill H.R. 4426, supra; as follows:

AMENDMENT NO. 2242

On page 112, between lines 9 and 10, insert the following new section:

SEC. . HUMANITARIAN ASSISTANCE FOR BOSNIA AND HERZEGOVINA.

Of the funds appropriated by this Act, not less than $5,000,000 shall be available only for medical equipment, medical supplies, and medicine to Bosnia and Herzegovina, and for the repair and reconstruction of hospitals, clinics, and medical facilities in Bosnia and Herzegovina.

AMENDMENT NO. 2243

On page 112, between lines 9 and 10, insert the following new section:

SEC. . EMERGENCY PROJECTS IN BOSNIA AND HERZEGOVINA.

Of the funds appropriated by this Act, not less than $10,000,000 shall be available only for emergency winterization and rehabilitation projects and for the reestablishment of essential services in Bosnia and Herzegovina.

AMENDMENT NO. 2244

On page 72, line 23, insert ", Serbia, and Montenegro" after "Iraq".

On page 73, line 11, insert ", Serbia, or Montenegro" after "Iraq".

On page 73, line 17, insert ", Serbia, or Montenegro, as the case may be," after "Iraq".

On page 73, line 19, insert ", Serbia, or Montenegro, as the case may be" after "Iraq".

DOLE (AND OTHERS) AMENDMENT NO. 2245

Mr. DOLE (for himself, Mr. WARNER, Mr. HELMS, and Mr. McCAIN) proposed an amendment to the bill H.R. 4426, supra; as follows:

On page 112, between lines 9 and 10, insert the following new section:

SEC. . CONGRESSIONAL COMMISSION ON HAITI POLICY.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the American people support a peaceful transition to a democratic and representative government in Haiti;

(2) Haiti's elected President who is in exile and the de facto ruling junta in Haiti have reached an impasse in their negotiations for the reinstitution of civilian government;

(3) the extensive economic sanctions imposed by the United Nations and United States against the de facto rulers are causing grave harm to innocent Haitians;

(4) private businesses and other sources of employment are being shut down, and the continuation of the comprehensive economic sanctions are causing massive starvation, the spread of disease at epidemic proportions, and widespread environmental degradation; and

(5) an armed invasion of Haiti by forces of the United States, the United Nations, and the Organization of American States would endanger the lives of troops sent to Haiti as

well as thousands of Haitians, especially civilians.

(b) ESTABLISHMENT AND DUTIES.—(1) There is established a congressional commission which shall be known as the Commission on Haiti Policy (in this section referred to as the "Commission").

(2) It shall be the duty of the Commission—

(A) to assess the humanitarian, political, and diplomatic conditions in Haiti; and

(B) to submit to the Congress the report described in subsection (d).

(3) In carrying out its duties, the Commission shall call upon recognized experts on Haiti and Haitian culture, as well as experts on health and social welfare, political institution building, and diplomatic processes and negotiations.

(c) COMPOSITION OF COMMISSION.—The Commission shall consist of the following Members of Congress (or their designees):

(1) The Majority Leader of the Senate.

(2) The Minority Leader of the Senate.

(3) The chairman and the ranking Member of the following committees of the Senate:

(A) The Committee on Appropriations.

(B) The Committee on Foreign Relations.

(C) The Select Committee on Intelligence.

(D) The Committee on Armed Services.

(4) The Speaker of the House of Representatives.

(5) The Minority Leader of the House of Representatives.

(6) The chairman and ranking Member of the following committees of the House of Representatives:

(A) The Committee on Appropriations.

(B) The Committee on Foreign Affairs.

(C) The Permanent Select Committee on Intelligence.

(D) The Committee on Armed Services.

(d) REPORT OF COMMISSION.—Not later than 45 days after enactment of this Act, the Commission shall submit to the Congress a report on the Commission's analysis and assessment of conditions in Haiti and, if appropriate, analysis and assessment of appropriate policy options available to the United States with respect to Haiti.

SIMON (AND JEFFORDS) AMENDMENT NO. 2246

Mr. SIMON (for himself and Mr. JEFFORDS) proposed an amendment to the bill H.R. 4426, supra; as follows:

On page 112, between lines 9 and 10, insert the following new section:

POVERTY REDUCTION EMPHASIS FOR DEVELOPMENT ASSISTANCE

SEC. . (a) Of the total amount of funds appropriated by this Act to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, a substantial percentage of the funds shall be available only to finance programs, projects, and activities that directly improve the lives of the poor, with special emphasis on those individuals living in absolute poverty.

(b) It is the sense of Congress that the President, in carrying out this section, should—

(1) promulgate appropriate standards for identifying those populations living in poverty;

(2) establish a program performance, monitoring, and evaluation capacity within the Agency for International Development that will develop and prepare, in consultation with both local and international nongovernmental organizations, appropriate indicators, and criteria for monitoring and evaluation of progress toward poverty reduction; and

(3) take steps necessary to increase the direct involvement of the poor in project design, implementation and evaluation, including increasing opportunities for direct funding of local nongovernmental organizations serving these populations, and other local capacity-building measures.

(c) The Congress urges the President, not later than April 1, 1995, to submit to the Congress a report setting forth the progress made in carrying out this section.

BROWN AMENDMENT NO. 2247

Mr. MCCONNELL (for Mr. BROWN) proposed an amendment to the bill H.R. 4426, supra; as follows:

On page 7, lines 7 and 8, strike "$382,000,000: *Provided,*" and insert "$273,000,000: *Provided,* That not to exceed $12,000,000 of the funds appropriated under this heading shall be made available for the United Nations Development Program: *Provided further,*".

BROWN (AND OTHERS) AMENDMENT NO 2248

Mr. MCCONNELL for Mr. BROWN (for himself, Mr. SIMON, Mr. ROTH, Ms. MIKULSKI, Mr. DOLE, and Mr. DOMENICI) proposed an amendment to the bill H.R. 4426, supra; as follows:

At the end of the Committee amendment which ends on line 21 of page 2 of the bill, add the following new section:

SEC. . ADDITIONAL COUNTRIES ELIGIBLE FOR PARTICIPATION IN ALLIED DEFENSE COOPERATION.

(a) SHORT TITLE.—This section may be cited as the "NATO Participation Act".

(b) TRANSFER OF EXCESS DEFENSE ARTICLES.—The President may transfer excess defense articles under section 516 of the Foreign Assistance Act of 1961, or under the Arms Export Control Act to Poland, Hungary, and the Czech Republic.

(c) LEASES AND LOANS OF MAJOR DEFENSE EQUIPMENT AND OTHER DEFENSE ARTICLES.—Section 63(a)(2) of the Arms Export Control Act (22 U.S.C. 2796b) is amended by striking "or New Zealand" and inserting "New Zealand, Poland, Hungary, or the Czech Republic".

(d) LOAN MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.—Section 65(d) of the Arms Export Control Act (22 U.S.C. 2796d(d)) is amended—

(1) by striking "or" after "United States)" and inserting a comma; and

(2) by inserting before the period at the end of the following: ", Poland, Hungary, or the Czech Republic".

(e) COOPERATIVE MILITARY AIRLIFT AGREEMENTS.—Section 2350c(e)(1)(B) of title 10, United Stated Code, is amended by striking "and the Republic of Korea" and inserting "the Republic of Korea, Poland, Hungary, and the Czech Republic".

(f) PROCUREMENT OF COMMUNICATIONS SUPPORT AND RELATED SUPPLIES AND SERVICES.—Section 2350f(d)(1)(B) is amended by striking "or the Republic of Korea" and inserting "the Republic of Korea, Poland, Hungary, or the Czech Republic".

(g) STANDARDIZATION OF EQUIPMENT WITH NORTH ATLANTIC TREATY ORGANIZATION MEMBERS.—Section 2457 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) It is the sense of the Congress that in the interest of maintaining stability and promoting democracy in Eastern Europe, Poland, Hungary, and the Czech Republic, those countries should, on and after the date of enactment of this subsection, be included in all activities under this section related to the increased standardization and enhanced interoperability of equipment and weapons systems, through coordinated training and procurement activities, as well as other means, undertaken by the North Atlantic Treaty Organization members and other allied countries."

(h) INCLUSION OF OTHER EUROPEAN COUNTRIES EMERGING FROM COMMUNIST DOMINATION.—The President should recommend legislation to the Congress making eligible under the provisions of law amended by this section such other European countries emerging from communist domination as the President may determine if such countries—

(1) have made significant progress toward establishing democratic institutions, free market economies, civilian control of their armed forces, and the rule of law; and

(2) are likely, within 5 years of such determination, to be in a position to further the principles of the North Atlantic treaty and to contribute to the security of the North Atlantic area.

BROWN AMENDMENTS NOS. 2249–2251

Mr. MCCONNELL (for Mr. BROWN) proposed three amendments to the bill H.R. 4426, supra; as follows:

AMENDMENT NO. 2249

On page 3, line 12 strike "$1,207,750,000" and insert "$1,024,332,000."

AMENDMENT NO. 2250

On page 3, line 6, strike $98,800,000, insert $30,000,000 and on page 105, line 16, insert the following:

"(c) Funds appropriated by Title I of the Act under the heading "Limitation on Callable Capital Subscriptions" shall be available for payment to the IBRD for the Global Environmental Facility (GEF) as follows:

(1) 50 percent of the funds appropriated under such heading shall be made available prior to April 1, 1995 only if the Secretary of the Treasury makes the determination and so reports to the Committee on Appropriations as described in paragraph (3) of this subsection.

(2) 50 percent of the funds appropriated under such heading shall be made available on or after April 1, 1995 only if the Secretary of the Treasury makes the determination and so reports to the Committee on Appropriations as described in paragraph (3) of this subsection.

(3) The determinations referred to in paragraphs (1) and (2) are determinations that the GEF has

(i) established clear procedures ensuring public availability of documentary information on all GEF projects and associated projects of the GEF implementing agencies.

(ii) established clear procedures ensuring that affected peoples in recipient countries are consulted on identification, preparation and implementation of GEF projects.

AMENDMENT NO. 2251

At the end of the bill insert the following—

"SEC. 576. LIMITATION ON USE OF FUNDS FOR CONTRIBUTION TO THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY.

(a) LIMITATION.—Not more than $20,000,000 of the amount appropriated under Title I under the heading "CONTRIBUTION TO THE ENHANCED STRUCTURAL ADJUSTMENT

FACILITY OF THE INTERNATIONAL MONETARY FUND" shall be available until the Bipartisan Commission described in subsection (b) submits the report described in subsection (c).

(b) BIPARTISAN COMMISSION.—There shall be established a bipartisan Commission whose members shall be appointed within two months of enactment of this Act to conduct a complete review of the salaries and benefits of World Bank and International Monetary Fund employees and their families. The Commission shall be composed of:

(i) 1 member appointed by the President;

(ii) 1 member appointed by the Speaker of the House of Representatives;

(iii) 1 member appointed by the Minority Leader of the House of Representatives;

(iv) 1 member appointed by the Majority Leader of the Senate;

(v) 1 member appointed by the Minority Leader of the Senate;

(vi) Staff members—The U.S. Agency for International Development shall provide funding for the hire of outside experts and shall provide expert AID staff members to the Commission as necessary.

(c) COVERED REPORT.—Within six months after appointment, the Commission shall submit a report to the President, the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee which includes the following:

(i) a review of the existing salary paid and benefits received by the employees of the World Bank and the IMF;

(ii) a review of all benefits paid by the World Bank and the IMF to family members and dependents of the employees of the World Bank and the IMF;

(iii) a review of all salary and benefits paid to employees and dependents of the World Bank and the IMF as compared to all salary and benefits paid to comparable positions for employees of U.S. banks.

BROWN (AND OTHERS) AMENDMENT NO. 2252

Mr. MCCONNELL for Mr. BROWN (for himself, Mr. SIMON, Mr ROTH, Ms. MIKULSKI, and Mr. DOLE) proposed an amendment to the bill H.R. 4426, supra; as follows:

On page 2, line 21, after the period, insert the following:

SEC. . ADDITIONAL COUNTRIES ELIGIBLE FOR PARTICIPATION IN ALLIED DEFENSE COOPERATION.

(a) SHORT TITLE.—This section may be cited as the "NATO Participation Act".

(b) TRANSFER OF EXCESS DEFENSE ARTICLES.—The President may transfer excess defense articles under the Foreign Assistance Act of 1961 or the Arms Export Control Act to Poland, Hungary, and the Czech Republic.

(c) LEASES AND LOANS OF MAJOR DEFENSE EQUIPMENT AND OTHER DEFENSE ARTICLES.—Section 63(a)(2) of the Arms Export Control Act (22 U.S.C. 2796b) is amended by striking "or New Zealand" and inserting "New Zealand, Poland, Hungary, or the Czech Republic".

(d) LOAN MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.—Section 65(d) of the Arms Export Control Act (22 U.S.C. 2796d(d)) is amended—

(1) by striking "or" after "United States)" and inserting a comma; and

(2) by inserting before the period at the end the following: ", Poland, Hungary, or the Czech Republic".

(e) COOPERATIVE MILITARY AIRLIFT AGREEMENTS.—Section 2350c(e)(1)(B) of title 10, United States Code, is amended by striking "and the Republic of Korea" and inserting "the Republic of Korea, Poland, Hungary, and the Czech Republic".

(f) PROCUREMENT OF COMMUNICATIONS SUPPORT AND RELATED SUPPLIES AND SERVICES.—Section 2350f(d)(1)(B) is amended by striking "or the Republic of Korea" and inserting "the Republic of Korea, Poland, Hungary, and the Czech Republic".

(g) STANDARDIZATION OF EQUIPMENT WITH NORTH ATLANTIC TREATY ORGANIZATION MEMBERS.—Section 2457 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) It is the sense of the Congress that in the interest of maintaining stability and promoting democracy in Eastern Europe, Poland, Hungary, and the Czech Republic, those countries should, on and after the date of enactment of this subsection, be included in all activities under this section related to the increased standardization and enhanced interoperability of equipment and weapons systems, through coordinated training and procurement activities, as well as other means, undertaken by the North Atlantic Treaty Organization members and other allied countries.".

(h) INCLUSION OF OTHER EUROPEAN COUNTRIES EMERGING FROM COMMUNIST DOMINATION.—The President should recommend legislation to the Congress making eligible under the provisions of law amended by this section such other European countries emerging from communist domination as the President may determine if such countries—

(1) have made significant progress toward establishing democratic institutions, free market economies, civilian control of their armed forces, and the rule of law; and

(2) are likely, within 5 years of such determination, to be in a position to further the principles of the North Atlantic Treaty and to contribute to the security of the North Atlantic area.

HELMS AMENDMENTS NOS. 2253–2260

Mr. HELMS proposed eight amendments to the bill H.R. 4426, supra; as follows:

AMENDMENT NO. 2253

SEC. . NON-INTERVENTION CONCERNING ABORTION.

(a) CONGRESSIONAL DECLARATION.—The Congress recognizes that countries adhere to a diversity of cultural, religious, and legal traditions regarding the deliberate abortion of the human fetus.

(b) PROHIBITED ACTIVITIES.—Therefore, none of the funds appropriated by this Act may be used by any agency of the United States or any officer of the Executive Branch to—

(1) engage in any activity or effort to alter the laws or policies in effect in any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited;

(2) support any resolution or participate in any activity of a multilateral organization which seeks to alter such laws or policies in foreign countries; or

(3) permit any multilateral organization or private organization to use U.S. government funds for such purposes.

(c) RULE OF STATUTORY CONSTRUCTION.—Nothing in this section may be construed to prevent—

(1) U.S. funds from being used to pay for treatment of injuries or illnesses caused by legal or illegal abortions; or

(2) agencies or officers of the United States from engaging in activities in opposition to policies of coercive abortion or involuntary sterilization."

AMENDMENT NO. 2254

On page 8, line 22, before the period insert the following: ": *Provided further*, That none of the funds appropriated under this heading shall be made available for the United Nations Development Program".

AMENDMENT NO. 2255

At the appropriate place in the bill, insert the following:

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS ENGAGED IN ESPIONAGE AGAINST THE UNITED STATES

SEC. . (a) None of the funds appropriated by this Act (other than for humanitarian assistance or assistance for refugees) may be provided to any foreign government which the President determines is engaged in intelligence activities within the United States harmful to the national security of the United States.

AMENDMENT NO. 2256

At the appropriate place in the bill, insert the following:

"SEC. . RUSSIAN CHEMICAL AND BIOLOGICAL WEAPONS PRODUCTION.

None of the funds appropriated or otherwise made available under this Act may be made available in any fiscal year for Russia (other than humanitarian assistance) unless the President has certified to the Congress not more than 6 months in advance of the obligation or expenditure of such funds that Russia is in compliance with the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, and has disclosed the existence of its binary chemical weapons program (as required under the memorandum of understanding regarding a bilateral verification experiment and data exchange related to prohibition of chemical weapons) and the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction."

AMENDMENT NO. 2257

At the appropriate place in the first Committee amendment add the following:

On page 93, between lines 13 and 14, insert the following:

(1) a full and independent investigation conducted relating to issues raised by the discovery, after the May 23 explosion in Managua, of weapons caches, false passports, identity papers and other documents, suggesting the existence of a terrorist/kidnapping ring;

On page 93, line 22, strike out "(2)" and insert in lieu thereof "(3)".

On page 93, line 24, strike out "(3)" and insert in lieu thereof "(4)".

On page 94, line 4, strike out "(4)" and insert in lieu thereof "(5)".

On page 94, line 8, strike out "(5)" and insert in lieu thereof "(6)".

On page 94, line 11, strike out "(6)" and insert in lieu thereof "(7)".

AMENDMENT NO. 2258

On page 98, line 24 strike out "and" and all that follows through page 99, line 3, and insert in lieu thereof the following:

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) has not nationalized, expropriated, or otherwise seized ownership or control of property owned by any United States person and has not either—

(A) returned the property;

(B) provided adequate and effective compensation for such property in convertible foreign exchange or other mutually acceptable compensation equivalent to the full value thereof, as required by international law;

(C) offered a domestic procedure providing prompt, adequate and effective compensation in accordance with international law; or

(D) submitted the dispute to arbitration under the rules of the Convention for the Settlement of Investment disputes or other mutually agreeable binding international arbitration procedure.

AMENDMENT NO. 2259

At the end of the amendment, insert the following:

On page 112, between lines 9 and 10, insert:

TITLE VI—MOST-FAVORED-NATION TREATMENT FOR PEOPLE'S REPUBLIC OF CHINA

SEC. 601. SHORT TITLE.

This title may be cited as the "United States-China Act of 1994".

SEC. 602. FINDINGS AND POLICY.

(a) FINDINGS.—The Congress makes the following findings:

(1) In Executive Order 12850, dated May 28, 1993, the President established conditions for renewing most-favored-nation treatment for the People's Republic of China in 1994.

(2) The Executive order requires that in recommending the extension of most-favored-nation trade status to the People's Republic of China for the 12-month period beginning July 3, 1994, the Secretary of State shall not recommend extension unless the Secretary determines that such extension substantially promotes the freedom of emigration objectives contained in section 402 of the Trade Act of 1974 (19 U.S.C. 2432) and that China is complying with the 1992 bilateral agreement between the United States and China concerning export to the United States of products made with prison labor.

(3) The Executive order further requires that in making the recommendation, the Secretary of State shall determine if China has made overall significant progress with respect to—

(A) taking steps to begin adhering to the Universal Declaration of Human Rights;

(B) releasing and providing an acceptable accounting for Chinese citizens imprisoned or detained for the nonviolent expression of their political and religious beliefs, including such expressions of beliefs in connection with the Democracy Wall and Tiananmen Square movements;

(C) ensuring humane treatment of prisoners, and allowing access to prisons by international humanitarian and human rights organizations;

(D protecting Tibet's distinctive religious and cultural heritage; and

(E) permitting international radio and television broadcasts into China.

(4) The Executive order requires the executive branch to resolutely pursue all legislative and executive actions to ensure that China abides by its commitments to follow fair, nondiscriminatory trade practices in dealing with United States businesses and adheres to the Nuclear Nonproliferation Treaty, the Missile Technology Control Regime guidelines and parameters, and other nonproliferation commitments.

(5) The Government of the People's Republic of China, a member of the United Nations Security Council obligated to respect and uphold the United Nations charter and Universal Declaration of Human Rights, has over the past year made less than significant progress on human rights. The People's Republic of China has released only a few prominent political prisoners and continues to violate internationally recognized standards of human rights by arbitrary arrests and detention of persons for the nonviolent expression of their political and religious beliefs.

(6) The Government of the People's Republic of China has not allowed humanitarian and human rights organizations access to prisons.

(7) The Government of the People's Republic of China has refused to meet with the Dalai Lama, or his representative, to discuss the protection of Tibet's distinctive religious and cultural heritage.

(8) It continues to be the policy and practice of the Government of the People's Republic of China to control all trade unions and suppress and harass members of the independent labor union movement.

(9) The Government of the People's Republic of China continues to restrict the activities of accredited journalists and Voice of America broadcasts.

(10) The People's Republic of China's defense industrial trading companies and the People's Liberation Army engage in lucrative trade relations with the United States and operate lucrative commercial businesses within the United States. Trade with and investments in the defense industrial trading companies and the People's Liberation Army are contrary to the national security interests of the United States.

(11) The President has conducted an intensive high-level dialogue with the Government of the People's Republic of China, including meeting with the President of China, in an effort to encourage that government to make significant progress toward meeting the standards contained in the Executive order for continuation of most-favored-nation treatment.

(12) The Government of the People's Republic of China has not made overall significant progress with respect to the standards contained in the President's Executive Order 12850, dated May 28, 1993.

(b) POLICY.—It is the policy of the Congress that, since the President has recommended the continuation of the waiver under section 402(d) of the Trade Act of 1974 for the People's Republic of China for the 12-month period beginning July 3, 1994, such waiver shall not provide for extension of nondiscriminatory trade treatment to goods that are produced, manufactured, or exported by the People's Liberation Army or Chinese defense industrial trading companies or to nonqualified goods that are produced, manufactured, or exported by state-owned enterprises of the People's Republic of China.

SEC. 603. LIMITATIONS ON EXTENSION OF NONDISCRIMINATORY TREATMENT.

(a) IN GENERAL.—Notwithstanding any other provision of law—

(1) if nondiscriminatory treatment is not granted to the People's Republic of China by reason of the enactment into law of a disapproval resolution described in subsection (b)(1), nondiscriminatory treatment shall—

(A) continue to apply to any good that is produced or manufactured by a person that is not a state-owned enterprise of the People's Republic of China, but

(B) not apply to any good that is produced, manufactured, or exported by a state-owned enterprise of the People's Republic of China,

(2) if nondiscriminatory treatment is granted to the People's Republic of China for the 12-month period beginning on July 3, 1994, such nondiscriminatory treatment shall not apply to—

(A) any good that is produced, manufactured, or exported by the People's Liberation Army or a Chinese defense industrial trading company, or

(B) any nonqualified good that is produced, manufactured, or exported by a state-owned enterprise of the People's Republic of China, and

(3) if nondiscriminatory treatment is or is not granted to the People's Republic of China, the Secretary of the Treasury should consult with leaders of American businesses having significant trade with or investment in the People's Republic of China, to encourage them to adopt a voluntary code of conduct that—

(A) follows internationally recognized human rights principles,

(B) ensures that the employment of Chinese citizens is not discriminatory in terms of sex, ethnic origin, or political belief,

(C) ensures that no convict, forced, or indentured labor is knowingly used,

(D) recognizes the rights of workers to freely organize and bargain collectively, and

(E) discourages mandatory political indoctrination on business premises.

(b) DISAPPROVAL RESOLUTION.—

(1) IN GENERAL.—For purposes of this section, the term "resolution" means only a joint resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the Congress does not approve the extension of the authority contained in section 402(c) of the Trade Act of 1974 recommended by the President to the Congress on _____ with respect to the People's Republic of China because the Congress does not agree that the People's Republic of China has met the standards described in the President's Executive Order 12850, dated May 28, 1993.", with the blank space being filled with the appropriate date.

(2) APPLICABLE RULES.—The provisions of sections 153 (other than paragraphs (3) and (4) of subsection (b)) and 402(d)(2) (as modified by this subsection) of the Trade Act of 1974 shall apply to a resolution described in paragraph (1).

(c) DETERMINATION OF STATE-OWNED ENTERPRISES AND CHINESE DEFENSE INDUSTRIAL TRADING COMPANIES.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall determine which persons are state-owned enterprises of the People's Republic of China and which persons are Chinese defense industrial trading companies for purposes of this title. The Secretary shall publish a list of such persons in the Federal Register.

(2) PUBLIC HEARING.—

(A) GENERAL RULE.—Before making the determination and publishing the list required by paragraph (1), the Secretary of the Treasury shall hold a public hearing for the purpose of receiving oral and written testimony regarding the persons to be included on the list.

(B) ADDITIONS AND DELETIONS.—The Secretary of the Treasury may add or delete persons from the list based on information available to the Secretary or upon receipt of a request containing sufficient information to take such action.

(3) DEFINITIONS AND SPECIAL RULES.—For purposes of making the determination required by paragraph (1), the following definitions apply:

(A) CHINESE DEFENSE INDUSTRIAL TRADING COMPANY.—The term "Chinese defense industrial trading company"—

(i) means a person that is—

(I) engaged in manufacturing, producing, or exporting, and

(II) affiliated with or owned, controlled, or subsidized by the People's Liberation Army, and

(ii) includes any person identified in the United States Defense Intelligence Agency publication numbered VP-1920-271-90, dated September 1990.

(B) PEOPLE'S LIBERATION ARMY.—The term "People's Liberation Army" means any branch or division of the land, naval, or air military service or the police of the Government of the People's Republic of China.

(C) STATE-OWNED ENTERPRISE OF THE PEOPLE'S REPUBLIC OF CHINA.—(i) The term "state-owned enterprise of the People's Republic of China" means a person who is affiliated with or wholly owned, controlled, or subsidized by the Government of the People's Republic of China and whose means of production, products, and revenues are owned or controlled by a central or provincial government authority. A person shall be considered to be state-owned if—

(I) the person's assets are primarily owned by a central or provincial government authority;

(II) a substantial proportion of the person's profits are required to be submitted to a central or provincial government authority;

(III) the person's production, purchases of inputs, and sales of output, in whole or in part, are subject to state, sectoral, or regional plans; or

(IV) a license issued by a government authority classifies the person as state-owned.

(ii) Any person that—

(I) is a qualified foreign joint venture or is licensed by a governmental authority as a collective, cooperative, or private enterprise; or

(II) is wholly owned by a foreign person,

shall not be considered to be state-owned.

(D) QUALIFIED FOREIGN JOINT VENTURE.—The term "qualified foreign joint venture" means any person—

(i) which is registered and licensed in the agency or department of the Government of the People's Republic of China concerned with foreign economic relations and trade as an equity, cooperative, contractual joint venture, or joint stock company with foreign investment;

(ii) in which the foreign investor partner and a person of the People's republic of China share profits and losses and jointly manage the venture;

(iii) in which the foreign investor partner holds or controls at least 25 percent of the investment and the foreign investor partner is not substantially owned or controlled by a state-owned enterprise of the People's Republic of China;

(iv) in which the foreign investor partner is not a person of a country the government of which the Secretary of State has determined under section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)) to have repeatedly provided support for acts of international terrorism; and

(v) which does not use state-owned enterprises of the People's Republic of China to export its goods or services.

(E) PERSON.—The term "person" means a natural person, corporation, partnership, enterprise, instrumentality, agency, or other entity.

(F) FOREIGN INVESTOR PARTNER.—The term "foreign investor partner" means—

(i) a natural person who is not a citizen of the People's Republic of China; and

(ii) a corporation, partnership, instrumentality, enterprise, agency, or other entity that is organized under the laws of a country other than the People's Republic of China and 50 percent or more of the outstanding capital stock or beneficial interest of such entity is owned (directly or indirectly) by natural persons who are not citizens of the People's Republic of China.

(G) NONQUALIFIED GOOD.—The term "nonqualified good" means a good to which chapter 39, 44, 48, 61, 62, 64, 70, 73, 84, 93, or 94 of the Harmonized Tariff Schedule of the United States applies.

(H) CONVICT, FORCED, OR INDENTURED LABOR.—The term "convict, forced, or indentured labor" has the meaning given such term by section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

(I) VIOLATIONS OF INTERNATIONALLY RECOGNIZED STANDARDS OF HUMAN RIGHTS.—The term "violations of internationally recognized standards of human rights" includes but is not limited to, torture, cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges and trial, causing the disappearance of persons by abduction and clandestine detention of those persons, secret judicial proceedings, and other flagrant denial of the right to life, liberty, or the security of any person.

(J) MISSILE TECHNOLOGY CONTROL REGIME.—The term "Missile Technology Control Regime" means the agreement, as amended, between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan, announced on April 16, 1987, to restrict sensitive missile-relevant transfers based on an annex of missile equipment and technology.

(d) SEMIANNUAL REPORTS.—The Secretary of the Treasury shall, not later than 6 months after the date of the enactment of this Act, and the end of each 6-month period occurring thereafter, report to the Congress on the efforts of the executive branch to carry out subsection (c). The Secretary may include in the report a request for additional authority, if necessary, to carry out subsection (c). In addition, the report shall include information regarding the efforts of the executive branch to carry out subsection (a)(3).

SEC. 604. PRESIDENTIAL WAIVER.

The President may waive the application of any condition or prohibition imposed on any person pursuant to this title, if the President determines and reports to the Congress that the continued imposition of the condition or prohibition would have a serious adverse effect on the vital national security interests of the United States.

SEC. 605. REPORT BY THE PRESIDENT.

If the President recommends in 1995 that the waiver referred to in section 602 be continued for the People's Republic of China, the President shall state in the document required to be submitted to the Congress by section 402(d) of the Trade Act of 1974, the extent to which the Government of the People's Republic of China has made progress during the period covered by the document, with respect to—

(1) adhering to the provisions of the Universal Declaration of Human Rights,

(2) ceasing the exportation to the United States of products made with convict, force, or indentured labor,

(3) ceasing unfair and discriminatory trade practices which restrict and unreasonably burden American business, and

(4) adhering to the guidelines and parameters of the Missile Technology Control Regime, the controls adopted by the Nuclear Suppliers Group, and the controls adopted by the Australia Group.

SEC. 606. SANCTIONS BY OTHER COUNTRIES.

If the President decides not to seek a continuation of a waiver in 1995 for the People's Republic of China under section 402(d) of the Trade Act of 1974, the President shall, during the 30-day period beginning on the date that the President would have recommended to the Congress that such a waiver be continued, undertake efforts to ensure that members of the General Agreement on Tariffs and Trade take a similar action with respect to the People's Republic of China.

AMENDMENT NO. 2260

At the appropriate place in the bill, insert the following new section:

SEC. . AMBASSADORIAL RANK FOR HEAD OF UNITED STATES DELEGATION TO THE CSCE.

The United States delegation to the Conference on Security and Cooperation in Europe shall be headed by an individual who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall have the rank of ambassador.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will be holding a Hearing on Thursday, July 14, 1994, beginning at 9:30 a.m., in G-50 Dirksen Senate Office Building on S. 2269, the Native American Cultural Protection and Free Exercise of Religion Act of 1994.

Those wishing additional information should contact the Committee on Indian Affairs at 224-2251.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry, Subcommittee on Agricultural Research Conservation, Forestry, and General Legislation will hold a hearing on Tuesday, July 26, 1994, at 2:30 p.m. in SR-332, to review the administration's proposed meat and poultry inspection legislation. Senator TOM DASCHLE will preside. Witnesses will be announced at a later date.

For further information, please contact Tracey Henderson at 224-2321.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today, July 13, 1994, at 10 a.m., to hear testimony from Secretary Donna Shalala on the administration's welfare reform bill, the Work and Responsibility Act of 1994.

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

COMMITTEE ON THE JUDICIARY

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 13, 1994, at 10 a.m., in room 216 Senate Hart Office Building, to hold a hearing on the nomination of Stephen G. Breyer of Massachusetts, to be Associate Justice of the Supreme Court.

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

SUBCOMMITTEE ON FOREIGN COMMERCE AND TOURISM

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the Foreign Commerce and Tourism Subcommittee of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on July 13, 1994, at 9:30 a.m. on current tourism policy activities.

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

SUBCOMMITTEE ON SUPERFUND, RECYCLING AND SOLID WASTE MANAGEMENT

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the Subcommittee on Superfund, Recycling and Solid Waste Management of the Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, July 13, beginning at 2 p.m., to conduct a hearing on S. 2227, the Flow Control Act of 1994.

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

SUBCOMMITTEE ON TOXIC SUBSTANCES, RESEARCH AND DEVELOPMENT

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the Subcommittee on Toxic Substances, Research and Development, of the Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, July 13, beginning at 9:30 a.m., to conduct a hearing on issues involving the reauthorization of the Toxic Substances Control Act.

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

ADDITIONAL STATEMENTS

PROBLEMS HIT F–22 FIGHTER

• Mr. D'AMATO. Mr. President, first the fuselage. Now the engine. Next the avionics. Think I am talking about the B–1B? Nope. F–22.

I ask that an article that appeared in the May 31, 1994, edition of Defense Week, "Excess Engine 'Vibration' Problems Hit F–22 Fighter," be printed in the RECORD at the end of my remarks.

The article follows.

[From the Defense Week, May 31, 1994]

EXCESS ENGINE 'VIBRATION' PROBLEMS HIT F–22 FIGHTER

(By Tony Capaccio)

Excessive, unanticipated vibrations inside the turbine engine of the Air Force's newest fighter have forced the United Technologies Corp.'s Pratt & Whitney unit to redesign the powerplant, according to internal service documents obtained by Defense Week.

Redesign of the F–22's F119–PW–100 engine will cost the Air Force at least $179 million, according to program office documents.

The excessive "vibrational stress," or excitation, within the turbine "is the most serious problem that exists today because it restricts uninhibited engine operation," said the final report of a Air Force-commissioned independent review team. It was dated Feb. 8.

The review team was chaired by William Heiser, an Air Force Academy professor of aeronautics.

The engine issue represents the most serious technical problem emerging to date in the ongoing 10-year engineering manufacturing and development test phase. The $71 billion F–22 program is the second most expensive in the Pentagon procurement pipeline and a potential target of lawmakers hoping to cut the defense budget.

Pratt & Whitney spokesman Bob Carroll declined comment, referring questions to the Air Force.

Heiser praised Pratt & Whitney's Government Engines & Space propulsion division for its cooperation. "We believe that they agree with our findings and recommendations and are ready to act on them," he wrote.

News of the heretofore unpublicized engine problem comes as the Senate Armed Services Committee reviews a recommendation by the General Accounting Office to delay by seven years initial fielding of the jet until 2010 for budget savings.

The GAO recommendation was driven largely by information suggesting the F–15 could handle any new aircraft threats emerging in that timeframe and not out of any major technical concerns. At $164 million per aircraft, the F–22 is being sold largely on its hoped-for superior performance, increased ranges and improved reliability, all of which are threatened by the engine problem. "The nature and number of problems being experienced by the P&W F119 are not excessive for a highly sophisticated new centerline aircraft at this stage of development," said the review team report.

"Major advances in propulsion performance necessarily involve pushing back many technological barriers," said the report. "Nevertheless, the sum of our observations leads directly to our principle conclusion that the pace of the P&W F119 program must be significantly accelerated in order to insure that acceptable versions of the engine are available for flight test and production."

"Taken together, the magnitude of the remaining challenges and shortness of the remaining time (about 18 months are needed to design and manufacture a new turbine) require a revitalized, aggressive approach if the desired goals are to be reached," said the report.

The review team concluded: "This is a crucial moment for the F–22 system program office to conduct a top-down evaluation of aircraft/engine systems performance in order to assess the impact of probable deficiencies on mission requirements and on F119 engine specifications and priorities."

"New tradeoffs between range, payload, durability and cost must be carried out. This assessment will only become more difficult as major milestones approach and available options become more limited," it said.

"This is a big problem," said a Pentagon official very familiar with the issue. "If we don't fix any of these problems we can't make our range requirements in terms of fuel efficiency and can't make our reliability requirements," he said.

But given the aircraft's carefully crafted test program, the F–22 development team has time to solve the vexing problems because first flight of a production model F119 is scheduled for 1996.

The team also warned that, given "major" configuration changes and unanticipated development problems, there is a serious shortage of ground test engines for remaining F119 development.

"Even though there is enough reason to believe that the overall F119 program will require less than half the engines and significantly fewer ground test hours that its predecessors (because of extensive prototype testing and modern analytical methods), there are clear indications that the current numbers are inadequate," said the report.

Among the indications, actual engine test hours compared with planned hours by December 1993 were 577 versus 900. "The gap is not projected to close for at least two years. There are no back-up engines available for unanticipated future additional testing or to replace one that breaks," the report said.

Known in engineering parlance as "76E excitation," the vibration problem "not only prevents the timely acquisition of essential ground test data and places some engines at risk but remains a potential safety-of-flight issue for the initial flight release engines until conclusively eliminated," said the report.

"The 76E problem must be pursued with rigor now," wrote the team. The team "strongly supports the near term effort by P&W," it said. [Emphasis in the original.]

Heiser wrote Feb. 8 to Lt. Gen. Richard Hawley, Air Force principal deputy for acquisition: "The most important conclusion reached by the [team] is that the pace of the P&W F119 development program must be significantly accelerated relative to that of the previous year in order to insure that acceptable versions of the engine are available in time for flight testing and production."

Hawley through a spokeswoman said the Air Force was already planning to redesign the F–22 turbine to increase its fuel efficiency. "Our biggest [engine] challenge so far is subsonic cruise thrust specific fuel consumption . . . The Air Force knew that the cause of the subsonic fuel consumption shortfall was the turbine."

The independent review team validated the Air Force approach, Hawley said. "In their review summary the [team] noted the aggressive goals for the engine but also noted that the problems encountered were not uncommon for an engine development program at this stage."

Hawley's statement failed to mention the far more important issue of excess vibrations.

The report said the company's engine workforce has "adequate competence and capacity available for at least one major effort of this sort, provided that they apply it diligently," said the report.

"Nevertheless, we are anxious about the apparent shortage of experienced aerodynamic designers of highly loaded single stage turbines of the type presented by the F119. We base our concern on the lack of P&W experience with production turbines of

this class as well as their reductions in strength in this area."

These caveats aside, the team concluded P&W "is sincerely dedicated" to a successful development program. "But they will have to persevere in order to keep the necessary quality and quantity of technical personnel involved." The review team concluded that both high and low pressure turbines "fall far short of their [fuel] efficiency goals. One can see that the shortfall is caused by excessive blade tip clearance and seal leakages and poor airfoil aerodynamics."

"Engine development issues remain a high priority," the F-22 system program office wrote in a quarterly program review dated March 24.

"The engine has experienced fuel consumption inefficiencies and a durability shortfall in the turbine section. Our initial approach to correct these issues has been reviewed and agreed to be an executive independent review team." said the assessment. "These approaches focus on minimizing blade vibratory stress and tightening blade clearances."

The redesign options will be explored in June during a turbine redesign "critical design review," sources said. "You've got very, very high supersonic air that is exciting the blade twice and it shouldn't be," said a Pentagon official familiar with the F-22 program.

"Air is entering so fast it is hitting the blade at one angle and bouncing off and, hitting the next blade at a different angle," the official said.

"It is 'excited' in a way it wasn't meant to be excited," he said. "That will shorten the life of the turbine and that's bad. While we are fixing that problem we are going to try to make the whole thing more fuel efficient."

The redesign will focus on the turbine section looking at whether Pratt & Whitney must change the blade's aerodynamic shape or add blades.●

THE AMERICAN ECONOMY AND THE REST OF THE WORLD: TWO SIDES OF THE SAME COIN

● Mr. SIMON. Mr. President, one of the most thoughtful observers of our economic scene is Felix Rohatyn of New York City.

Recently, he gave the Albert H. Gordon Lecture on Finance and Public Policy at the John F. Kennedy School of Government. He calls on the United States, among other things, to deal with the jobs shortage in the underclass in a much more meaningful and creative way. He also calls on us to deal with our deficit.

Both have to be done.

As chair of the subcommittee that deals with retraining, I am all for retraining and education, but Felix Rohatyn is absolutely right when he says:

The relentless downsizing of American business, together with the defense cutbacks, cannot be offset just by retraining and education.

We need jobs programs that put people to work, that give them a lift, and that screen them when they come in to determine if they need training for basic literacy and skills acquisition. But to believe that we can do this on the cheap is living in a world of fantasy, and we have to do it on a pay-as-you-go basis. We cannot continue to have interest be the fastest growing item in the Federal budget.

That means, inevitably, that we're going to have to raise additional Federal revenue. Those of us in politics don't like to talk about those kinds of things, but we had better level with the American people that our problems are simply going to compound unless we face up to the underclass situation and unless we face up to the deficit situation.

I ask unanimous consent to insert the Felix Rohatyn statement into the RECORD at this point.

THE AMERICAN ECONOMY AND THE REST OF THE WORLD: TWO SIDES OF THE SAME COIN

(By Felix G. Rohatyn)

It is a great privilege to deliver the Albert Gordon Lecture at the Kennedy School. The Lecture is dedicated "to improved discussion and increased understanding of matters related to finance and public policy". In that context, I would like to review the relationship of the U.S. economy to the international realities of the so-called New World Order.

I would like to put forward three general propositions:

(1) That economic growth and social stability in the developed world requires substantial and steady economic growth in the large developing countries.

(2) That this development will require further integration of the western economies with the rest of the world through open trade and investment policies;

(3) That totally free market policies may not be the panacea that they are cracked up to be. Just as the U.S. is still trying to balance the benefits of free markets with the requirements of individual security and the creation of new jobs, so will other countries.

The fall of the Berlin Wall and the collapse of communism in Europe (Both East and West) have created a new historical reality. Never before has the competition among the world's leading powers been concentrated on economic, as opposed to military and ideological, realities. On the world stage, today, the competition is essentially driven by economics as Western Europe, North America, Japan, China and South East Asia approach the turn of the Century. Last week's vote on NAFTA in the Congress and the Seattle Meeting of APEC are a reflection of this situation.

However, this has had another result, namely the widely accepted conclusion that the colossal economic and political failure of communism was due to the perfection of a Reaganesque or Thatcherite version of free-market capitalism. This conclusion is dangerous for two reasons:

First, it is not true. Communism collapsed mainly because of its internal inefficiencies and contradictions once modern communications and technology made it impossible to continue its isolation. Second, because it leads to the easy and unproven assumption that pure market economies can deal with technologically-driven productivity growth, defense cutbacks and foreign competition; that they can, simultaneously, provide high levels of employment and continued improvement in the standard of living of a large majority of the population.

The danger in these assumptions is already visible in Eastern Europe and the FSU. The expectations raised by these prescriptions, superimposed on archaic systems and psychological mindsets decades behind the times, were beyond anything that could realistically be expected to come about. The best that could have been achieved would have been a disappointment; the reality in many cases, turned out to be a crushing letdown. Current conditions of inflation, corruption, insecurity and humiliation have replaced the political fear and relative economic security which characterized communist regimes. The tradeoff, for many, is not self-evident. In my judgment, there are two reasons for these failures:

First that the prescription was wrong. For socialist countries in transition, economic "shock therapy" combined with immediate democratization is in most cases, a prescription for economic failure and/or political reaction. Second, and equally important, is the fact that we, in the West, with the most advanced economic and political systems in the world, have not yet effectively dealt with the need to equate freedom, fairness and wealth. Liberals have consistently argued for freedom combined with fairness; the result was redistribution of wealth and the modern welfare state. Conservatives argued for freedom and the creation of wealth; the result has too often been significant gaps between social and economic classes as well as a very weak safety net for those in need of assistance. Until we resolve this dilemma, economic and political solutions will be in difficulty in all democracies.

It seems to me that for political stability and democracy to flourish in the world of the 21st Century, three objectives have to be met:

(1) The big, developed Western democracies, ie., the U.S., Canada and Western Europe, together with Japan, have to resolve the problems of structural unemployment and of chronic budget deficits. The creation of adequate jobs with a future is the biggest economic and social challenge now facing the West. As a result of weak economies and flawed fiscal policies, the U.S. and Germany in particular are now a drain on the credit markets. They should, over time, along with the other OECD countries become major sources of investment capital for the rest of the world;

(2) The big developing countries, China, India, the FSU, Latin America must follow their own individual path to market economies and sustained economic growth. Many SE Asian countries have done so successfully. Cultural and historical factors may be as important as economic theories in determining individual countries approach to the market economy. Social and political stability together with currency stability are both required to attract the necessary foreign investment and mobilize local savings.

A recent article in the Wall St. Journal by Henry Rowen suggested a possible scenario for the years 1990 to 2020 insofar as economic growth is concerned, dividing the world into "rich" and "non-rich" countries. This scenario shows that strong growth is required in the "non-rich" part of the world economy simply to maintain minimum acceptable growth in the developed world. Per capita growth in the OECD would be about 1.5% per annum, while the "non-rich" countries grow at about 3.5% per annum. Its achievement would require mutually reinforcing economic policies on an entirely new scale. The achievements of the Marshall Plan and the Bretton Woods architecture are modest in comparison. In view of the growing importance of exports for the U.S. economy, it is

easy to see that, if the developing world falters, the U.S. will be in serious difficulties.

It is clear that no one Western country, such as Germany, Japan or the U.S. is capable of being the locomotive to generate sufficient economic growth; it is questionable that any one region is capable of doing so. The pressures created by West Germany having to invest $100 billion per annum in East Germany, combined with continued large U.S. borrowings to finance our own budget deficits, have slowed the economies on both sides of the Atlantic. For the first time in modern history, the locomotive for the West must come from new growth in the rest of the world.

Nonetheless, the U.S. must take the lead to achieve this objective, with long-term economic and trade policies aiming at sustained economic growth in Latin America, China, India and other South East Asian countries. Completing the GATT and NAFTA agreements are vital aspects of that role. At home, the U.S. must make continued progress in the related areas of structural unemployment, budget deficits and savings and investment. We must redefine our foreign policy so as to give much greater emphasis to international economic integration and growth policies. Like every major multinational corporation, the foreign components of economic policy are but the other side of the coin of domestic economic policy.

On the domestic front, The Clinton Administration has made a courageous start to reverse a decade of deficits, of increased indebtedness and of a low savings rate. Much more will have to be done, particularly in the areas of solving the growth of entitlement programs such as Social Security, Medicare and Medicaid, probably through some form of means testing. However, providing security to the working American will have to come pari passu with deficit reduction. Universal health care is one component of that security, providing it is realistically financed. Job opportunities and financial security is a second component, and on that score we are failing badly. The relentless downsizing of American business, together with defense cutbacks, cannot be offset just by retraining and education. These are important components but they are inadequate, and a number of different initiatives will be required.

Among government actions, a large scale public works program should be undertaken, federally financed and supplementing state and local programs. A $250 billion ten-year program would be a fraction of what is needed to bring this Country's infrastructure to satisfactory condition and should be considered as a minimum first step; it could create about 1 million new jobs annually and could serve as one component of a defense conversion effort. High speed rail; mass transit; airport construction and many others would be a more effective use of defense contractors capabilities than building redundant Seawolf submarines. The use of some military bases, which are presently scheduled to be closed, for CCC-type programs to train inner-city youngsters, would be another benefit. The financing for such a program could be separated from the federal budget, with special issues of infrastructure bonds, secured by modest increases in gasoline taxes or other recurring revenues. These would pay off the bonds in 30–40 years and could make them eligible for investment by private and public pension funds, which now amount to about $3 trillion and will probably double in size over the next ten years.

In addition to such a program, new private sector initiatives will have to be studied, such as shorter work weeks, earlier retirements, and tax incentives for retirees to start small businesses. The impact on productivity as well as on the Federal budget must obviously be taken into account with any of these approaches. But the agreement of the German unions to Volkswagen's adoption of a four-day week must be compared with the chaos created in France by the failure of the French Government to support Air France vis a vis its unions. The social and economic costs of long-term unemployment are usually greater than the cost of creating opportunities for those who want it.

The U.S. Government should also be willing to compete directly with other nation's industrial policies as they affect key American industries. A clear example is the case of Airbus Industrie, the European airplane consortium, which has acquired 30% of the world's commercial aircraft market, at the expense of the American aerospace industry. The estimated subsidy invested by European governments of about $30 billion over 20–25 years has been a spectacular success, and Airbus could well be headed for 40–50% of the market over time. A program should be developed between the Government and the U.S. aerospace industry to assist in the development of the next generation 600–800 passenger "super-jumbo" jet as well as to the successor of the supersonic Concorde.

While it is important for the U.S. to eliminate its budget deficits over time and to become an exporter of capital instead of an importer, the amounts of capital required for world development dwarf any possible Marshall Plan, either U.S. or even OECD led. The original Marshall Plan consisted of about $16 billion to be disbursed over a four year period. This would be the equivalent of about $100 billion in today's dollars. To generate $25 trillion of new output in the developing world over the next 25 years, as suggested in the WSJ essay, could require as much as $15–$20 trillion of investment. No combination of western public and private investment can provide more than a fraction of this amount. However, western expansionists trade and investment policies will accelerate the required internal capital generation in large developing countries.

It is crystal clear that this reality requires major developing countries to establish domestic capital markets of sufficient depth, transparency and integrity so as to encourage and mobilize domestic savings as well as tap into the global savings pool represented by the rest of the world's capital markets. These will be heavily influenced by modern legislative reforms and financial and monetary policies of currency stability and low inflation. A global competition for capital will drive economic and political reforms, which in turn will be needed to mobilize domestic savings.

In order to be able to rely mostly on private capital flows and capital formation, developing countries must meet two basic requirements: A stable currency and a stable social and political environment. Runaway inflation brought about economic collapse and nazism in post WWI Germany; runaway inflation, today, is still the biggest enemy of investments and stability, witness the events in the FSU at present. The control of inflation and the transition to a market economy argue against overnight "shock therapy" solutions such as are imposed today on former communist countries. Memories are notoriously short, but WWII ended less than fifty years ago and it would be well to review what happened then. Despite the Marshall Plan; despite the fact that the European economies had experience with market economies and the technical and administrative infrastructures to comprehend them; despite the "German-economic miracle" beginning with currency reform in the 1950s; it took most of Europe 10 to 20 years to regain fully convertible currencies and a relative level of political stability. I would argue that the task of bringing Western Europe back from the catastrophe of WWII was easier, politically and economically, than the task facing the FSU and, possibly, China today.

Eastern Europe, while a daunting challenge, appears to be more manageable, with the exception of Yugoslavia. West Germany has essentially taken over the responsibility for East Germany, albeit at huge cost. Poland, despite a political setback, has strong current growth. The other countries all have histories of Western type economies and politics, interrupted by forty years of communism. It is hard to overemphasize the importance of opening up trade opportunities for Eastern and Central Europe. This can be done not only by encouraging the EC to open its markets on an accelerated time table, but by reopening some FSU markets to these countries as part of Western economic assistance programs to the FSU. The economic stability of Europe requires the integration of Maastricht; the social stability of Europe requires the orderly inclusion of Eastern and Central Europe into the EC through more aggressive trade and investment policies.

While the prospects and the requirements for a successful transition of both the FSU and China are quite different, I remain convinced that a gradual approach to economic as well as political transition is most likely to succeed. In other words, I believe that Deng Xiao-Ping is more likely to succeed than Boris Yeltsin. Every major U.S. corporation that has undertaken significant restructuring programs has done so on a multi-year basis. Early retirements have been combined with programs to cushion the shock of lay-offs, with definite goals set on a year by year basis. New York City avoided bankruptcy in the 1970s with a multi-year plan along similar lines. The same approach should be applied to inefficient state enterprises, even those that lead to total shutdowns. The sacrifices required, in the form of lower standards of living and higher unemployment, by the quick dismantling of state enterprises and total decontrol of prices is politically unsustainable in the long run. The U.S. is in a poor position to argue for the compatibility of sacrifice with democracy; when a 4 cent tax on gasoline is deemed to be a terrible burden, we should be very modest when calling on others to sacrifice. There are also other models than those of Thatcherite Britain or Reaganite America for these countries to aim for. Japan's spectacular postwar development took place under a one-party system and significant government guidance to the private sector economy. France has followed the path of a mixed economy. Similar approaches could succeed in former communist countries if we recognize that individual countries will have to follow individual paths.

Russia and some of the other members of the FSU will require special treatment. Both democratization and economic reform have gone part way and have stalled as a result of inflation, economic collapse and political resistance of non-democratic forces. Boris Yeltsin seems to be our best hope, but it would not be surprising if Russian democracy turned out to be more authoritarian than our ideal model or if regional pressures

caused significant structural changes to occur. The economy will also need much more time and far more outside financial and technical assistance to make the transition than any of the other major countries. In the case of Russia and possibly Ukraine and Belarus, very large scale, long-term international economic assistance programs will probably have to be set up. It is doubtful whether the technical and administrative infrastructure in the FSU is adequate to manage such a program, or has the ability to attract and generate sufficient private capital.

A stable convertible rouble is still unattainable, but it is ultimately necessary. The international financial community, through the IMF, created additional Special Drawing Rights which allowed members to increase their borrowings in the 1970s in order to deal with the oil crisis. This amounted to about $8 billion (equivalent to about $15 billion currently) to be spread over seven years. A similar approach could be taken for the FSU in order to finance a multi-year program to stabilize the currency, or currencies as the case may be.

In addition, FSU participating countries could be encouraged to provide 10–20 year concessions to Western companies or consortia to acquire control of, and operate, some important sectors of the economy in order to accelerate transition. Control would thereafter revert to local interests. Guarantees for the protection of private property, debt repayment and profit remittance would have to be provided by the local governments and supplemented by broad investment guarantees by the Western Governments.

I am aware of the fact that such a program could be described as "Western neo-colonialism" and may be politically unacceptable in the FSU. There may not be very attractive alternatives, however, and it would be well to be realistic about what is required. West Germany is committed to invest about $10 billion annually in East Germany, probably for the next 7–10 years to provide for its transition costs. East Germany, with less than 10% of the population of the FSU, is probably twenty years ahead of the FSU in its infrastructure, overall educational levels and technological and administrative competence. The requirements of the FSU are many times the amounts invested in East Germany, but its ability to receive and disburse them effectively are inadequate; this will require both time and significant foreign participation. The "Grand Bargain" proposed by Harvard's Graham Allison and Robert Blackwill was an idea ahead of its time. Some version of the Grand Bargain will, however, be required.

China is a different case. It has allowed gradual economic liberalization, beginning with agriculture; it has maintained up to recently, a relatively stable currency while maintaining a politically authoritarian system. It has had the support of large amounts of capital and know-how provided by overseas Chinese as well as foreign trade surpluses and other capital inflows. So far, the result has been an economic boom, huge inflows of capital and, in certain regions, significant advances to a market economy at spectacular growth rates. However, the lack of a modern administrative, legal and credit structure; an inadequate public infrastructure; and some of the more negative aspects of rapid economic development (i.e. recently increasing inflation; rampant speculation; corruption; crime) leave the question of the future of China still unanswered. Huge differences exist in the pace and level of economic transition between the coastal regions and the rest of the Country and between urban and rural areas. The challenge to the Chinese Government is to get administrative and financial mechanisms in place that enable national policies to be carried out effectively. Equally important, is the development of a capital market of sufficient size to raise the huge sums necessary, both domestically and abroad, to meet China's needs. Direct investment will not be sufficient without the creation of such a market and an independent and responsible Chinese Central Bank is integral to such a development. As far as the U.S. is concerned, the issues of human rights, weapons proliferation and our significant trade deficit with China will remain as continued impediments to a totally open relationship.

Our economic relationship with Japan is beginning to change as China becomes a more important factor and as Japan's own economic and political problems force a reassessment of their own situation. The Clinton Administration is absolutely correct in attempting to obtain a measurable reduction in our balance-of-trade deficit with Japan, based on measuring sectoral activity. Equally important, however, is to push Japan to open its doors to U.S. direct investment as broadly as we have maintained open investment on the part of Europe and Japan. Japan (and to a lesser extent Germany) maintains an almost impenetrable net of bank-insurance-industrial cross-ownership and control which makes direct foreign investment very difficult if not impossible. It is as important to open up Japanese direct investment markets as it is to remove trade barriers; it is equally important for Japan to continue and accelerate its role as a heavy investor in developing countries.

Mexico and the rest of Latin America will be heavily dependent on the success and the extension of NAFTA. The creation of a total American market reaching from Canada to the tip of Argentina is clearly in our interest as well as those of Canada and all of Latin America. NAFTA is a key first step and was a critical and courageous win for the Clinton Administration. At the same time, we should make it clear that NAFTA and the ultimate creation of a Continental American market is not exclusive of other regions. Powerful economic forces will push China, Korea, SE Asia and possibly Japan to create an economic trading zone that could someday be exclusive of the West. Germany, if European union fails to come about, could drift toward similar arrangements with Austria, Poland, Czechoslovakia, Hungary and, possibly Ukraine. Such developments would be profoundly inimical to our interests. We need not embrace Asia at the expense of Europe as was recently hinted at by the Seattle APEC Meeting. Common values, histories and languages still play an important role in the world. President Clinton must continue his fight against protectionism throughout the West by providing a bridge, instead of a moat between Europe and Asia.

Which brings me back to the U.S. economy and the U.S. role in the world. I stated at the beginning of this lecture my belief that we have yet to prove that free market capitalism can successfully close the triangle of political freedom; the creation of wealth; and the fairness of its distribution. It may be that this is impossible and that the price of political freedom and the creation of wealth requires the sacrifice of job and income security for significant parts of the population. This is Reaganism and Thatcherism at its purest and, more or less, describes the recent attitude (implicit rather than explicit) of most Western governments, including the U.S. This is not good enough and recent statements by President Clinton and Senator Bill Bradley pointing to the need for security by the average American underline this fact. Before we push other countries too hard with respect to the appropriate role of Government and to what models they should follow, we had better be further along in providing satisfactory answers to these problems ourselves while closing our own budget deficits and stimulating our economy. It is also clear that progress on the domestic economy is necessary for the process of international integration. A stronger U.S. economy would have removed the threat to NAFTA caused by fears of domestic unemployment; a stronger French economy would reduce the threat to GATT created by internal pressures on the French Government.

A recent article in Business Week described GE's growth strategy for the 21st Century as being focused on aggressive investment in China, India and Mexico. The Chairman of GE, Jack Welch, is quoted as saying: "If I'm wrong, we will lose $1 or $2 billion; if I'm right, we will own the 21st Century". I think he is making the right bet. The future of our economy is organically, and permanently, tied to the developing world and the process of integration must be accelerated. Economic integration can allow for different political and social paths to be followed as countries experiment with what is best for them. Access to large amounts of development capital will, however, be central to every country's performance and the competition for that capital will be fierce. It may be worth reviewing whether current U.S. financial institutions (as well as global institutions) are appropriate to support the level of capital formation and investment needs to be faced over the coming decade. Just as new public instutitions were created for the 1930s and 1940s, we may need again to consider the need for institutional development to support economic change and international exchange rate stability.

The world may be a lot safer today than it was before the Berlin Wall fell; I say "may be" because safety is relative and lots of dangers remain. What is certain is that safety can be buttressed by economic growth and that American growth is heavily dependent on the rest of the world. Our ability to solve our own economic and social problems is heavily dependent on our leadership in helping other countries to solve theirs; the reverse, however, is equally true. These are two sides of the same coin.●

TRIBUTE TO THE RETIREMENT OF VICTOR PHILLIPS POOLE

● Mr. SHELBY. Mr. President, I rise today to honor Victor Phillips Poole on the occasion of his retirement. For 30 years, Victor has been a member of Alabama's State Board of Education, an elected body that serves as trustee for the State's kindergarten-twelfth grade system as well as Alabama's 2-year colleges. Most likely, no one else in the State has affected the lives of more people in Alabama than Victor. His main concern has always been the improvement of Alabama's public education system.

Victor was born in Greene County, located in one of Alabama's poorest regions also referred to as the Black Belt. Here he developed the basis for

his strong commitment to public education. His dedication is based in his belief that all people in the State, no matter their race or gender, have the right to an education.

Victor attended high school in Hale County, just across the river from Greene County. After high school he went on to graduate from the University of Alabama. Victor has come to the aid of the University several times over the years such as chairing the committee to establish a medical center in Tuscaloosa and helping to locate the College of Community Health Sciences on the University's campus.

In 1963, then Governor George Wallace first appointed Victor to the newly established State Board of Education. Victor continued to be reappointed by Governors Lurleen Wallace and Albert Brewer. In 1970, the Alabama State Constitution was changed and called for the trustees of the Board of Education to be elected. Since that time Victor has continued to be elected by the people of his district, even with the 1980 redrawing of districts making Victor's district the largest in the State.

Victor and his wife, Madie Irene Howell, live in Moundville, AL, where he is currently the chief executive officer for the Bank of Moundville. The Pooles and their three sons are active in every aspect of community life in Hale County, and their oldest son, Phil, is a member of the Alabama House of Representatives.

Mr. President, Victor Poole has been a dedicated servant to the education system in the State of Alabama for over 30 years. His lifetime commitment of his community and to our State is an example to us all.•

STATEMENT OF NORMAN A. CARLSON, DEPARTMENT OF SOCIOLOGY, UNIVERSITY OF MINNESOTA

• Mr. SIMON. Mr. President, in the midst of all our efforts on crime, someone gave me a copy of the testimony of Norman A. Carlson, former Director of the Bureau of Prisons and now a professor of sociology at the University of Minnesota.

From his years of experience, he gives us some common sense.

All of us who work with him know that he was highly regarded by everyone in Congress and in the administration.

He points out, among other things, that when he retired in 1987, there were 43,500 inmates and 47 Federal institutions. As of 1993, when he testified, there were more than 76,000 offenders in 73 Federal prisons.

Most important, he says:

I believe that most individuals who seriously examine the Federal criminal justice system would conclude that minimum-mandatory sentences have produced results which have not served the public interest and are costing the taxpayers a tremendous amount of money.

He also points out in his statement that 26 percent of all Federal prisoners are non-United States citizens.

I urge my colleagues, who are seriously concerned about our crime problem and the use of our penal facilities to read the Norm Carlson statement.

At this point, I ask that his full statement of May 12, 1993, be entered into the RECORD.

The statement follows:

STATEMENT OF PROF. NORMAN A. CARLSON

Mr. Chairman, members of the Committee, it's a pleasure for me to appear before you once again. During my tenure as Director of the Federal Bureau of Prisons, I had an opportunity to testify before this committee on a regular basis and discuss a number of legislative and oversight issues. I want to again express appreciation for the support, assistance and encouragement you provided during those years.

While I've been retired for nearly six years, I continue to be an interested observer of the Federal criminal justice system. My interest relates in part to the fact that I teach in the area of criminal justice at the University of Minnesota. In addition, I have strong attachments to the men and women who are employed by in the Department of Justice—both in the Bureau of Prisons as well as the other divisions and agencies. They are, in my opinion, an exceptionally talented and dedicated group of public servants—a group that I am proud to have been associated with during my 30 year career.

Since retiring, my only official contact with the federal system occurred during 1989 and 1990 when I Chaired an Advisory Group established by the United States Sentencing Commission to explore the possibility of expanding intermediate punishments for federal offenders. In connection with that assignment, I had an opportunity to become familiar with the effect Sentencing Guidelines and Minimum-Mandatory sentences are having on the system. In addition to reviewing available data concerning those initiatives, I learned of their human impact and the tremendous frustration that is experienced by prosecutors, Federal Judges, U.S. Probation Officers and the staff of the Bureau of Prisons because of the absence of discretion in sentencing.

I don't have to tell you, Mr. Chairman, that the population of Federal prisons has dramatically increased during these past six years. When I retired in July 1987, there were 43,500 inmates confined in 47 federal institutions. Today, there are over 76,000 offenders incarcerated in 73 facilities. Despite the fact 50,000 additional beds have been or will be added in the future at a cost of over $3.2 billion, federal prisons are more overcrowded today than when I left. While the increase is unprecedented, the future is even more alarming. Unless there are fundamental changes in the criminal justice system, there will be over 115,000 federal prisoners by 1999 according to current projections.

From personal experience, I can tell you that severe overcrowding exacerbates the tensions and frustrations that are found in any place of confinement. Beyond limiting the amount of living space available for inmates, overcrowding taxes the support areas such as food service and medical care. More importantly, it creates idleness because existing work and educational programs, which are already limited, cannot accommodate the additional population pressure.

The population explosion during the past six years is directly attributable to two factors; One, minimum-mandatory sentences contained in the Anti-Drug Abuse Act of 1986 and two, sentencing guidelines established by the Sentencing Reform Act. These two acts have resulted in a significant reduction in the use of probation—even for first offenders—and a dramatic increase in the length of time many inmates—particularly drug offenders—will spend in prison.

There has also been a significant change in the composition of the federal prison population during the past several decades. When I became Director in 1970, Armed Bank Robbery and Drug Laws were the largest offense categories, each constituting approximately 16 percent of the total population. Today, narcotic violators are, by an over-whelming margin, the largest category constituting over 60 percent of the population. In terms of background, over 50 percent of the drug violators now in federal prison are serving their first sentence. Data from the U.S. Sentencing Commission indicates that 60 percent of all the drug violators fall into the lowest of the six criminal history categories used by the Commission in determining sentence length. These facts would appear to suggest that at least some of these offenders may not constitute a significant threat to the public.

No one disputes the fact that prisons and jails are important and necessary components in our nation's criminal justice system. They are, without question, needed to confine violent and dangerous offenders as well as those who repeatedly violate our laws. Having said that, however, we must also look at the economic costs of building and operating prisons. No matter how safe, humane and well managed they are, prisons will always be a scarce—and very expensive—resource in the system. As is the case with any scarce resource, we need to insure that prisons are utilized in a manner which maximizes their contribution to public safety. Simply locking up more and more offenders for longer and longer periods of time is, in my opinion, not a rational response. Instead of simply continuing to build prisons, we should, first of all, insure that space is available for violent and dangerous inmates who require incarceration and find other means of punishing less serious offenders who can be dealt with in more cost-effective ways from the standpoint of the taxpayer.

I believe that most individuals who seriously examine the Federal criminal justice system would conclude that minimum-mandatory sentences have produced results which have not served the public interest and are costing the taxpayers a tremendous amount of money. While recognizing that the certainty of locking offenders up for long periods of time may appear to have surface validity, minimum-mandatory sentences are, in my opinion, based on several false assumptions. First, all offenders are not alike—some have long histories of anti-social and predatory behavior, others are non-threatening individuals with little or no prior criminal record. To impose similar minimum-mandatory sentences on disparate individuals is both unwise and unjust. Secondly, all offenses are not the same. Even though the specific acts may violate a common statute, some crimes present a much more serious threat to the public and deserve harsher punishment. Finally, I am aware of no empirical evidence which suggests that the threat of lengthy minimum-mandatory sentences has a demonstrable deterrent effect on potential violators in the community.

Further compounding the problem is the fact that the minimum-mandatory sentences serve as a major force driving up the guidelines developed by the U.S. Sentencing Commission. In an attempt to conform with Congressional action, the Commission established the minimum-mandatory as the lowest guideline sentence. In effect, this has resulted in a "ratcheting" up of all guideline sentences where mandatories are included in the statute.

For these reasons, I would urge the committee to re-consider minimum-mandatory sentences, particularly for drug law violators. In my opinion, they are contributing to the present crisis in the Federal criminal justice system. Studies have demonstrated that the possibility of such sentences frequently results in circumvention by prosecutors and occasionally by juries. All too often, they result in the imposition of prison terms that virtually everyone agrees are unduly harsh given the facts of the crime and the background of the offender.

One additional issue that I would suggest the committee consider relates to the fact that 26 percent of all federal prisoners are non-U.S. citizens. The vast majority of these offenders have been committed for drug law violations. While there unquestionably are major traffickers included in this group who should be confined for many years, a substantial percentage are low level "mules" who were recruited by others to smuggle drugs. Even though a period of confinement may be necessary I question keeping them in federal prison for 5, 10, or even 20 years at a cost to the U.S. taxpayers of over $20,000 per year. In addition to the cost factor, one must also keep in mind that their continued incarceration means that over a quarter of all federal prison space is not available for offenders who may constitute a far greater threat to the public safety. In my opinion, it makes little sense to use scarce and expensive U.S. prison capacity to incarcerate relatively low level, non-violent foreign offenders for long periods of time. A number of state prison systems, particularly California, New York, Florida and Texas are experiencing similar problems with non-U.S. citizens taking up substantial amounts of prison capacity. In this connection, I was pleased to note that several members of this committee have introduced H.R. 1459 entitled "The Criminal Aliens Deportation Act of 1993". I believe the Congress should address this issue, particularly the impact non U.S. citizens have on prison and jail capacity.

This concludes my formal statement, Mr. Chairman. I'd be pleased to respond to any questions you and your colleagues may have.•

ANNIVERSARY OF THE FEDERAL CREDIT UNION ACT

• Mr. PRYOR. Mr. President, Sunday, June 26 marked the 60th anniversary of the signing of the Federal Credit Union Act. That legislation gave birth to a national movement which today is comprised of a community of 13,000 member institutions. For 60 years now, Federal credit unions have offered cooperative savings opportunities to individuals of all financial means. This has been their principal mission, and I am convinced it is the characteristic which will distinguish them from all other types of financial institutions in the future.

I believe it is important to recognize the achievements of those institutions which truly are "the people's banks"—Federal credit unions. As they have in the past, Federal credit unions continue serving their members in a manner consistent with their tradition of cooperation and democratic participation. I am proud to say that the 95 Federal credit unions representing 212,000 members in my home State of Arkansas are fine examples of the credit union community's cooperative service ideals. I commend Federal credit unions for their dedicated service to their members over these 60 years and wish them continued success.•

INTRODUCTION OF THE NATIONAL INSTITUTE FOR THE ENVIRONMENT ACT

• Mr. DASCHLE. Mr. President, the environmental challenges confronting the United States and the world are some of the most critical issues we face today. Global climate change, loss of biodiversity, resource depletion and environmental justice illustrate the broad scope of serious environmental problems that present our society with tough policy choices and are becoming more complex each year.

It is clear that without solutions to these problems our quality of life and economic security is severely threatened. It is also evident that proposed solutions raise questions of economic and social trade-offs that can spark intense, often emotional debate.

Lack of scientific certainty and credibility establishes a climate within which passions can become inflamed and bad policy can be made. We all remember the national controversy over the chemical alar. Environmentalists contended that it contributed significantly to increased health risks to children. The apple industry challenged that contention and felt that they were being stigmatized.

The entire matter was debated in the press, without the benefit of an objective, scientifically credible referee. Eventually, a lawsuit was brought against the television station that initially ran the story as well as the environmental group that developed the risk estimates. This is not a model of how serious environmental issues, involving potentially significant health risks and economic consequences, ought to be handled.

The Federal Government will have many tough environmental policy issues to deal with in the future as it implements such initiatives as the Clean Air Act, the Safe Drinking Water Act, and ecosystem management. Policymakers and the public will need objective, complete, and dispassionate answers to the questions raised by these programs.

Too often decisionmakers have not had the scientific information they needed to design long-term, cost effective solutions. And there is an overriding consensus that the Federal environmental research system is not meeting the challenge.

More than 17 reports in the last 6 years—including EPA's Science Advisory Board, the Carnegie Commission, the National Research Council, and the Committee for the National Institute for the Environment—have found that credible information on the environment is lacking.

These reports attribute this deficiency to the fact that there is no focal point for Federal environmental research, and that the current agency structure is not well suited to address current and future environmental challenges.

Federal environmental research programs are spread out over more than 20 agencies. These piecemeal programs have developed over the last two decades, resulting in a collection of substantially diffuse environmental research efforts that are largely geared toward short-term regulatory or management needs.

This nation spends $3.1 billion each year on environmental research and an estimated $135 billion to $158 billion on pollution abatement and clean-up. That is 2 to 2.4 percent of GNP.

Clearly, it is in the interest of the Nation to ensure that research funds are spent in the most effective way and that there is a formal process for using environmental research in the policymaking process, so that we are regulating in the most rational way.

The Federal bureaucracy has great difficulty in conducting environmental research that is interdisciplinary and requires long-term study. These complex issues fall between the cracks of narrowly focused agency research programs.

Bridges between science and policy are weak and lack timely, ongoing assessments on the state of environmental knowledge. Insufficient attention is paid to information management and making information accessible to scientists and decisionmakers at all levels.

No single agency is charged with educating and training the next generation of environmental scientists and professionals. And, most importantly, there is no Federal entity that effectively integrates assessment, research, information, and education and training while incorporating the input of scientists, public and private decisionmakers, and those affected by environmental decisions.

Recently, I introduced a bill to respond to those problems. "The National Institute for the Environment Act" will establish the National Institute for the Environment [NIE] as an independent entity within the Federal Government whose sole mission is to improve the scientific basis for decisionmaking on environmental issues.

The NIE will support this mission by funding problem-focused competitively awarded, peer-reviewed extramural research, providing comprehensive and ongoing assessments on the current state of environmental knowledge, communicating information through a state-of-the-art data base, and sponsoring higher education and training.

The NIE would not replace but would supplement existing Federal research programs that are necessary to accomplish individual agencies' missions.

To ensure the credibility of its science, the NIE will have no regulatory or management responsibilities and would focus solely on improving the scientific basis for environmental decisionmaking. In order to control costs and bureaucracy, the NIE will not operate its own research laboratories and facilities, but would instead fund competitively awarded extramural grants to the best talent available in academia, government, private industry, or others.

What is most unique about the NIE is that all relevant stakeholders will play an active role in determining environmental research goals and priorities. The NIE's governing board will include representatives from Federal and State governments, scientists, environmental groups, business, and others.

This approach will help create a nonadversarial climate that has less confrontation, and ensure that priorities are policy relevant. This multistakeholder process makes the NIE distinctly different from current Federal research where nonfederal interests have only a limited advisory role.

This bill draws on the work of the committee for the National Institute for the Environment, a national grassroots network of over 7,000 scientists, business leaders, environmentalists and concerned citizens who are dedicated to the creation of the NIE. Their work has already prompted the introduction of legislation in the House (H.R. 2918) which currently has 73 bipartisan cosponsors. More than 100 universities, scientific and professional organizations, major environmental groups, and business leaders have endorsed the NIE.

The NIE is a cost-effective, comprehensive solution that will help the United States strategically spend research dollars to address the most complex environmental issues. It is my intention to move forward with this initiative and promote further debate in the Senate about the inadequacies of current Federal environmental R&D and the potential of NIE as the solution.

I strongly urge my colleagues to join me in my effort to improve the scientific basis for environmental decisionmaking and to cosponsor the "National Institute for the Environment Act." I ask unanimous consent that the text of the bill be printed in the RECORD.

The text of the bill follows:

S. 2242

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Institute for the Environment Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) An appropriate scientific understanding of the diverse physical, biological, engineering, social, and economic issues that underlie the environmental problems facing the United States is essential to finding environmentally and economically sound solutions to the problems.

(2) While more than a dozen Federal agencies support environmental research and gather environmental information, there is not a lead Federal agency for environmental research and information.

(3) The current approach of the Federal Government to developing a scientific understanding of environmental problems, and of applying that understanding to the problems, lacks coherence and often fails to provide information vital to finding sound solutions to the problems.

(4) The United States needs to improve the scientific basis for decisionmaking by Federal, State, and local governments, and private sector entities, on environmental issues.

(5) Many environmental issues that will seriously affect the United States in the future are not adequately studied under existing Federal environmental research programs.

(6) Existing Federal environmental research programs often do not provide adequate information in a timely manner to enable Federal, State, and local governments, and private sector entities, to engage in well-informed decisionmaking on environmental and related issues.

(7) Existing Federal environmental research programs do not adequately address, link, and integrate research in different disciplinary, interdisciplinary, and multidisciplinary environmental sciences.

(8) Ongoing study and communication of the existing knowledge about environmental issues, including the assessment of the significance of the knowledge, are needed to strengthen the weak link between scientific knowledge and decisionmaking on environmental issues.

(9) Easy and effective access, including access by the scientific community, to the many rapidly growing sources of environmental information would improve the effectiveness of research on, and communication about, environmental issues.

(10) To address the complex environmental problems facing the United States, there is a growing need for more education and training of individuals in disciplinary, interdisciplinary, and multidisciplinary sciences related to the environment.

(b) PURPOSE.—It is the purpose of this Act to create an independent establishment to improve the scientific basis for making decisions on environmental issues through support for competitive, peer-reviewed, extramural research, ongoing knowledge assessments, data and information activities, and education and training on environmental issues.

SEC. 3. ESTABLISHMENT OF NATIONAL INSTITUTE FOR THE ENVIRONMENT.

There is established as an independent establishment an institute to be known as the "National Institute for the Environment" (referred to in this Act as the "Institute"). The mission of the Institute shall be to improve the scientific basis for decisionmaking on environmental issues.

SEC. 4. DUTIES.

The Institute shall have the following duties:

(1) To increase scientific understanding of environmental issues (including environmental resources, systems, and sustainability, and the human dimensions associated with environmental issues) by initiating and supporting credible, extramural, problem-focused, peer-reviewed basic and applied scientific environmental research and other disciplinary, multidisciplinary, and interdisciplinary environmental programs. The support of research and programs under this paragraph may include the provision of financial assistance pursuant to section 8, including grants, contracts, and cooperative agreements.

(2) To assist decisionmaking on environmental issues by providing ongoing, comprehensive assessments of knowledge of environmental issues. The performance of assessments under this paragraph shall include the following:

(A) Summarizing the state of the knowledge.

(B) Assessing the implications of the knowledge.

(C) Identifying additional research that will provide information needed for decisionmaking by Federal, State, and local governments, and private sector entities, on environmental issues.

(D) Analyzing constraints that may affect the conduct of research described in subparagraph (C), including the existence of limited technological, human, and economic resources.

(E) Communicating the results of assessments under this paragraph to relevant Federal, State, and local government decisionmakers and the public.

(3) To serve as the foremost provider and facilitator in the United States of access to current and easy-to-use peer-reviewed scientific and technical information about the environment. The provision and facilitation of access to information under this paragraph shall include the following:

(A) Providing and facilitating access to credible environmental information (including scientific and technological results of environmental research) for relevant Federal, State, and local government decisionmakers, policy analysts, researchers, resource managers, educators, information professionals (including computer and telecommunications specialists), and the general public.

(B) Establishing an electronic network that—

(i) uses existing telecommunications infrastructures to provide single-point access to environmental information; and

(ii) includes existing collections of environmental information, such as libraries, specialized information centers, data and statistical centers, and government and private sector repositories of regional, event-driven, or ecosystem information.

(C) Identifying and encouraging the effective application of state-of-the-art information technologies to promote the availability and use of, and access to, environmental knowledge.

(D) Providing long-term stewardship of the environmental information resources of the United States, including efforts to ensure the continued usefulness of the resources, through the promotion and development of

policies and standards for providing access to environmental information, and through the support of relevant research and development.

(4) To sponsor higher education and training in environmental fields in order to contribute to a greater public understanding of the environment and to ensure that the United States has a core of scientifically educated and trained personnel who possess skills to meet the environmental needs of the United States. The sponsorship of education and training under this paragraph shall include the following:

(A) Awarding scholarships, traineeships, and graduate fellowships at appropriate nonprofit institutions of the United States for study and research in natural and social sciences and engineering related to the environment.

(B) Supporting curriculum and program development in fields related to the environment.

(C) Promoting the involvement of women, minorities, and other underrepresented groups.

(5) To encourage and support the development and use of methods and technologies that increase scientific and general understanding of the environment and minimize adverse environmental impact.

(6) To evaluate the status and needs of the various environmental sciences and fields.

(7) To foster interchange of scientific information about the environment among scientists, Federal, State, and local government decisionmakers, and the public.

(8) To identify and seek to address emerging environmental issues and all aspects of scientific, technological, and societal aspects of environmental problems.

(9) To establish research priorities for the Institute for environmental issues of global, national, and regional significance.

SEC. 5. GOVERNING BOARD.

(a) ESTABLISHMENT.—There shall be a Governing Board for the Institute (referred to in this Act as the "Board") which shall establish the policies and priorities of the Institute.

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Board shall be composed of 18 members who shall be appointed by the President by and with the advice and consent of the Senate.

(2) REPRESENTATION ON THE BOARD.—

(A) IN GENERAL.—The members of the Board shall include individuals—

(i) who, as scientists and users of scientific information, are representative of diverse groups and entities, including States, academic institutions, businesses, environmental groups, citizens groups, and other appropriate organizations;

(ii) who have a distinguished record of service in their fields; and

(iii) who, among the scientific members of the Board, represent the diversity of scientific fields that study the environment.

(B) SELECTION OF CERTAIN GROUPS.—In making appointments under this subsection, the President shall seek to provide for representation on the Board of women, minority groups, and individuals recommended by the National Academy of Sciences, the National Academy of Engineering, and other groups.

(c) TERMS.—

(1) INITIAL TERMS.—Members initially appointed to the Board shall serve for the following terms:

(A) 6 members shall serve for an initial term of 2 years.

(B) 6 members shall serve for an initial term of 4 years.

(C) 6 members shall serve for an initial term of 6 years.

(2) SUBSEQUENT TERMS.—On completion of a term referred to in paragraph (1), each member of the Board subsequently appointed or reappointed shall serve for a term of 6 years, with a maximum of 2 consecutive terms for any member appointed under this section.

(d) ADMINISTRATION.—

(1) TRAVEL EXPENSES.—Each member of the Board who is not an officer or employee of the United States may receive travel expenses, including per diem in lieu of subsistence, in the same manner as travel expenses are allowed under section 5703 of title 5, United States Code, for persons serving intermittently in the Government service.

(2) PROHIBITION OF COMPENSATION OF FEDERAL EMPLOYEES.—Members of the Board who are full-time officers or employees of the United States or Members of Congress may not receive additional pay, allowances, or benefits by reason of their service on the Board.

(e) CHAIRPERSON.—The Chairperson of the Board shall be designated by the President at the time of the appointment. The term of office of the Chairperson shall be 6 years.

(f) MEETINGS.—The Board shall meet as needed at the call of the Chairperson or a majority of the members of the Board, but not less than 4 times a year.

(g) REPORTS.—The Board shall periodically submit to the President reports on such specific environmental policy matters as the Board, the President, or Congress determines to be necessary. After receipt of any such report, the President shall transmit the report to Congress in a timely fashion, together with any comments that the President considers to be appropriate.

(h) ADVISORY COMMITTEES.—The Board may establish such advisory committees as the Board considers necessary to carry out this Act.

SEC. 6. STAFF.

(a) DIRECTOR.—

(1) APPOINTMENT.—The Director of the Institute shall be appointed by the President by and with the advice and consent of the Senate.

(2) AUTHORITY.—The Director shall exercise all of the authority granted to the Institute by this Act, including any powers and functions delegated to the Director by the Board. All actions taken by the Director pursuant to this Act, or pursuant to the delegation from the Board, shall be final and binding on the Institute. The Director shall formulate programs consistent with the policies of the Institute and in consultation with the Board and any appropriate advisory committee established pursuant to this Act.

(3) PAY; TERM OF OFFICE.—The Director shall receive basic pay at the rate provided for level II of the Executive Schedule under section 5313 of title 5, United States Code, and shall serve for a term of 6 years.

(4) NSTC MEMBERSHIP.—Section 401(b) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651(b)) is amended by inserting ", the Director of the National Institute for the Environment," after "the Director of the Office of Science and Technology Policy".

(b) ASSISTANT DIRECTORS.—The President may, on the recommendation of the Director, appoint such assistant Directors as the President considers necessary to carry out this Act.

SEC. 7. INTERAGENCY ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—There is established an Interagency Advisory Committee to ensure that the environmental efforts of the Institute and other Federal agencies are complementary.

(b) DUTIES.—It shall be the duty of the Interagency Advisory Committee established under subsection (a) to provide recommendations and advice to the Board to help to ensure that—

(1) the research priorities and agenda of the Institute support, rather than duplicate or compete with, the research agendas of existing Federal agencies;

(2) the knowledge assessment activities of the Institute incorporate knowledge obtained and possessed by other Federal agencies, and are useful to the agencies;

(3) information within the databases of other Federal agencies is available for incorporation into the information network of the Institute; and

(4) the educational programs of the Institute serve the needs of the United States.

(c) COMPOSITION.—

(1) IN GENERAL.—The Interagency Advisory Committee established under subsection (a) shall include directors of research (or individuals who hold a comparable position) from Federal agencies that conduct or use substantial quantities of environmental research, including—

(A) the Environmental Protection Agency;

(B) the National Oceanic and Atmospheric Administration;

(C) the National Science Foundation;

(D) the Department of Energy;

(E) the Department of the Interior; and

(F) the Department of Agriculture.

(2) EX OFFICIO MEMBERS.—The Director of the Office of Science and Technology Policy (or a designee of the Director) and the Director of the Office of Environmental Quality (or a designee of the Director) shall serve as ex officio members of the Interagency Advisory Committee.

(d) DURATION.—Section 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App. 2) shall not apply to the Interagency Advisory Committee established under subsection (a).

SEC. 8. FUNDING.

(a) AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE.—The Institute may enter into contracts and cooperative agreements and provide financial assistance, including grants, to carry out the duties of the Institute under this Act.

(b) PERSONS ELIGIBLE TO RECEIVE FUNDING.—Scientists, engineers, and other researchers are eligible to receive funding from the Institute under subsection (a), except that—

(1) scientists from Federal agencies shall not be given a preference for funding based on their employment with the Federal Government; and

(2) the receipt of funding from the Institute shall be subject to any criteria and other requirements that are prescribed by the Institute.

(c) RECEIPT OF FUNDS FROM OTHER PERSONS.—The Institute may, subject to the approval of the Board, receive funds from other Federal agencies and private sector persons to carry out particular projects and activities under this Act. Funds received under this subsection shall be deposited in the Treasury and shall be made available to the Institute to the extent provided in appropriations Acts.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.●

EXCERPT FROM A SPEECH BY THE PRESIDENT OF CYPRUS, GLAFCOS CLERIDES

• Mr. SIMON. Mr. President, some years ago, I was a Member of the House of Representatives and had the opportunity to have breakfast with Mr. Glafcos Clerides, then a political leader in Cyprus and now the President of Cyprus.

Recently, the Ambassador from Cyprus to the United States, the Honorable Andrew Jacovides, gave me a copy of a speech given by President Clerides before the Parliamentary Assembly of the Council of Europe.

While it is a few weeks old, unfortunately, it is just as pertinent today as it was then.

I believe that President Clerides has the personality, the will, and the ability to provide leadership on the Greek side; and from my one-time meeting with the leader of the Turkish side, Mr. Denktash, I also believe that he has the ability to lead that side toward reconciliation.

What is clearly needed is approval of the government of Ankara.

I am sure Turkey is in a somewhat delicate situation and does not want to be perceived, in any way, as giving in to the Greeks. And yet the irony is that if Turkey improves her relationship with Greece and Armenia, it will help Turkey's position, in terms of the European Community, immensely.

If Yasar Arafat and Yitzak Rabin can reach across their gulf to shake hands, and move toward peace in the Middle East, and if F.W. deKlerk and Nelson Mandela can reach across their huge gulf to bring about an improved situation in South Africa, it is certainly not asking too much for the leaders of the two communities in Cyprus to reach across a much smaller gulf to shake hands and make peace in that area.

I hope significant steps can be taken.

In the meantime, I would urge that small steps be taken. We have been waiting too long for the big steps.

The reason that Jordan and Israel are able to move toward a peaceful resolution of their difficulties is the traffic that is taking place between the two countries for some time, even though there has been no formal recognition. There has been more traffic in 1 day between Jordan and Israel than there is in an entire year across the green line in Cyprus.

I suggest some modest steps that could be taken in a positive direction:

First, a small group of leaders on both sides of the green line should explore some small things that can be done to increase exchanges between the two sides. For example, I remember visiting on the Greek side at a school for the deaf that was doing woodworking. It was an impressive school. I asked the person in charge whether he would be willing to take students from the Turkish side, and he said he would. The numbers would not be great, but to have even a few students come over and have those who cannot speak to each other in formal language working together would be important to the nation. In a real sense they are almost an allegory for the two sides in Cyprus today, who cannot speak to each other. There are probably a half-dozen things like that involving only a very few people that could be arranged on both sides. In the scheme of things, it is not large, but it starts to thaw the ice a little bit.

Second, I assume there must be campuses in the United States, and perhaps in other countries, where there are both Greek Cypriot and Turkish Cypriot students. Every student at a university is not emotionally equipped to start taking on new ideas and build friendships, but there are those among each group who are willing to listen to reason, be less emotional, and who would commit themselves to try to understand the other side's position a little more. Getting a few students together on a regular basis—and I would suggest once a week on a campus—is not going to immediately change the climate or the political reality in Cyprus, but in the long run, it will help.

Third, I believe that Mr. Clerides and Mr. Denktash should agree that once every 2 months the two of them should get together for a visit, either in Cyprus, or New York, or some other mutually agreed upon place. I recall visiting Mr. Denktash after his son had been killed in an automobile accident and how moved he was by a gesture of friendship from Mr. Clerides at that time. This may seem to be a very small thing, but it is meaningful. And it means that there is at least a minimal fundamental understanding between the two men. Some may argue that their representatives have been getting together in New York and elsewhere. That is fine, but it is not the same thing as the two principles getting together.

Mr. President, I ask that President Clerides' speech be inserted into the RECORD at the end of my remarks, and I am taking the liberty of sending a copy of this statement to Mr. Clerides and Mr. Denktash; to Prime Minister Papandreou in Greece, and Prime Minister Ciller in Turkey; and to the Cyprian Ambassador to the United States, Andrew Jacovides.

I will be pleased to insert into the RECORD any response I receive from any of the parties.

The speech follows:

EXERPT FROM A SPEECH BY THE PRESIDENT OF CYPRUS, MR. GLAFCOS CLERIDES

Mr. President, having said the above I wish to take this opportunity to turn to the question of Cyprus and to stress that it is within this overall European orientation of our country that we try to promote the solution of the Cyprus problem.

I wish to state at the outset in the most emphatic and categorical manner, that my Government and I remain firm to our commitment to spare no effort to find a just and viable solution to the Cyprus problem and to make a success of the negotiations, which take place with the good offices of the Secretary-General of the United Nations as provided by United Nations Security Council Resolutions.

In line with that commitment, we have accepted the basic principle that the political solution of the Cyprus problem must allow the two ethnic communities to enjoy the maximum degree of autonomy in internal administration, permitting at the same time the bicommunal Federal Republic of Cyprus to have one international legal personality, territorial integrity, freedom from foreign forces on its territory, as provided by United Nations resolutions, entrenchment of the human rights in its constitution, compatibility of its constitution with the Acquis Communautaire and entry into the European Union.

The question that is in the mind of all international observers of the Cyprus situation is why has a solution escaped us for so many years.

Some international observers say that the failure to find a solution is because the recent history of Cyprus, both before independence and after independence, was such that because of the intercommunal conflict there is deep mistrust between the two communities. Others are of the opinion that the Cyprus problem from an intercommunal one has been complicated by the Turkish invasion of Cyprus and the continued occupation by Turkish forces of substantial territory of the Republic. There are also those who attribute the failure to the lack of political will to find a solution by the parties concerned.

That there is some mistrust between the two communities cannot be denied. The leaderships of both communities, in which I include myself, committed political mistakes in the past and it is a futile exercise to try to apportion blame and to throw accusations and counter accusations against each other. What is needed is to recognize the fact that both erred and to demonstrate the will not to repeat the mistakes of the past.

There can be no doubt that the Turkish invasion of Cyprus complicated the situation. As a result of that invasion one third of the Greek Cypriot population of the island were expelled from their homes and properties and were made refugees in their own country. One thousand six hundred and nineteen Greek Cypriots are missing, Under the protection of the Turkish occupation forces a separate state was declared in the North and continues to be maintained by Turkey, despite United Nations Security Council resolution 550 calling for its dissolution and calling on all United Nations members not to recognize it. Despite United Nations Security Council Resolution calling on both sides to avoid any acts which will change the demographic composition of the island, Turkey colonized the North by sending to Cyprus 80,000 Turks from Turkey, which were installed in the properties from which the Greek Cypriots were forced to leave. The Turkish forces built a military line across Cyprus thus forcing a military confrontation and preventing conduct between the two communities.

The massive military presence in Cyprus of 40,000 Turkish troops and 400 armour cars, with air cover and naval support, forces the Republic of Cyprus to maintain the National Guard, to purchase arms and seek military support and joint defense planning with Greece.

I believe that the time has come, if progress is to be made towards a solution of the Cyprus problem, to proceed to the demilitarization of the territory of the Republic. Having this in mind I addressed, on the 17th of December 1993, a letter to the Secretary-General of the United Nations making the following offer:

"There is no doubt that the massive presence of Turkish military forces in the occupied part of Cyprus creates serious anxieties and mistrust amongst the Greek Cypriot Community regarding Turkish intentions. It also imposes on the Government of the Republic the need to increase the defensive capabilities of the country by purchasing arms. Further it makes it necessary to request military help from Greece and to include Cyprus in the Greek defensive plans. There are also indications that the above preparations, though entirely defensive in their nature, are misinterpreted and cause anxiety and mistrust within the Turkish Cypriot Community regarding Greek intentions.

"After careful consideration, I came to the conclusion that in order to brake the counter productive climate of fear and mistrust and thus enhance the prospects of a negotiated settlement the Government of the Republic should take the following steps:

"(a) Repeal the National Guard Law, disband the National Guard and hand all its arms and military equipment to the custody of the United Nations Peace Keeping Force.

"(b) Undertake to maintain the Police Force of the Republic at its present numerical strength armed only with light personal weapons.

"(c) Undertake the total cost of a substantially numerically increased United Nations Peace Keeping Force.

"(d) Agree that the United Nations Peace Keeping Force will have the right of inspection to ascertain compliance with the above.

"(e) Agree that the National Guard armour cars, armour personnel vehicles and tanks, which will be handed to the United Nations Peace Keeping Force for custody, can be used by the United Nations Peace Keeping Force to patrol the buffer zone and to prevent intrusions in it.

"(f) Deposit in United Nations account all money saved from disbanding the National Guard and from stopping the purchase of arms, after deducting the cost of the United Nations Peace Keeping Force, to be used after the solution of the problem for the benefit of both Communities.

"The above offer is made provided the Turkish side agrees also that parallel to the above the Turkish Forces are withdrawn from Cyprus, the Turkish Cypriot armed forces disband and hand their weapons and military equipment to the custody of the United Nations Peace Keeping Force.

"I wish also to reaffirm what I have told Mr. Feissel before leaving for New York i.e. that I am ready to discuss the modalities regarding the implementation of the confidence building measures and of course the solution of the Cyprus problem.

"I hope Your Excellency, the Turkish side will respond positively to my proposal, otherwise the only logical inference to be drawn will be that the massive presence of Turkish forces is not for the alleged safety of the Turkish Cypriot Community, but for the perpetuation of the status quo which, as stated in your report, has been created by military force and is sustained by military strength and which the Security Council has deemed unacceptable. Such an inference will impose on my Government the need to substantially increase the defensive capabilities of the Republic and to enter into arrangements with Greece regarding a common defensive plan."

Regrettably Turkey rejected my proposal.

Coming now to the view that the failure of finding a solution of the Cyprus problem is due to the lack of the political will for a settlement by the Communities I have the following observations.

It is a fact that there is lack of political will by the Turkish side. The Secretary-General of the United Nations in his report to the Security Council document S/24830 of the 19th November 1992 stated that the effort to find a solution, despite the intensive efforts made, failed because the Turkish position was at variance with the set of ideas prepared by the Secretary-General and made it clear that there was a lack of political will by the Turkish side and that this was the major obstacle in reaching an agreed settlement.

The Secretary-General of the United Nations in his report of the 1st July 1993, document S/26026, informed the Security council that despite intensive efforts and preparatory work it was not found possible to secure acceptance by the Turkish side of the confidence building measures and that the leader of the Turkish Cypriot community had not promoted the acceptance of the package of the confidence building measures during his subsequent consultations in Ankara and Nicosia nor did he return to the joint meeting in New York as he had undertaken to do.

Today, almost a year later, the situation is as follows in the issue of the confidence-building measures: The Greek Cypriot side accepted the paper prepared by the Representatives of the Secretary-General of the 21st March regarding the implementation of the confidence building measures. Regarding the position of the parties the report of the Secretary-General of the 4th of April 1994 document S/1994/1330 states the following:

"The Leader of the Greek Cypriot community stated that, while he did not like many of the changes which had been introduced in the 21 March text, he was prepared to accept that revised text if the Turkish Cypriot leader would do likewise.

"Before leaving Cyprus on 23 March, Mr. Clark stated publicly that he had not received from the Turkish Cypriot side the agreement that he had hoped for on the implementation of the package. He stated that there was still time to reach an agreement before I had to submit my report to the Security Council and that he hoped that news would be received from the Turkish Cypriot side that would make an agreement possible. He stated that Mr. Feissel would remain in touch with both leaders.

"On 28 March, Mr. Feissel again met with the leader of the Turkish Cypriot community to pursue discussion to reach an agreement on the ideas for the implementation of the package of confidence-building measures. At the conclusion of this meeting, Mr. Feissel confirmed publicly that there had been no new developments and that the Turkish Cypriot side had not provided the response necessary to make an agreement on the implementation of the confidence-building measures possible."

From what has been stated so far, it is clear that the Secretary-General has warned the Security Council that—

(a) The unacceptable status quo is maintained by military forces.

(b) The failure to find a solution in November 1992 squarely falls on the Turkish side which did not have the political will to conclude an agreement which was within reach.

(c) The failure to agree to the implementations of the confidence-building measures in April 1994 also falls squarely on the Turkish side.

The Security Council has in its recent resolutions warned that if no progress is made it will consider alternative methods of promoting a solution. It is my firm belief that the time has come for the Security Council to decide to act. It must consider seriously the question of demilitarization because as long as there is a massive Turkish Occupation Force in Cyprus the Turkish side will continue to show lack of political will for a solution to the Cyprus problem and both communities will bear arms and live as potential enemies.

Despite Turkish opposition, Europe accepted our demand and appointed an observer in the talks. We are happy that his terms of reference are not only to keep the European Union informed if progress is being made and consequently which side is responsible for the lack of progress, but also to inform whether the solution discussed is compatible with the Acquis Communautaire. I believe also that it would give an impetus to the solution of the Cyprus problem if substantive talks for the accession of Cyprus to the European Union were to start without delay.

Mr. President, Members of the Assembly, ethnic differences, micro-nationalism and the problems of minorities gave a rude awakening to the euphoria that was created by the end of the Cold War. It now seems that if we don't take immediate and resolute action the issues of minorities and their rights, along with the emerging wider confrontation between cultures will be with us in the coming decades. Cyprus has every potential to be a model of success and a source of hope in our collective search for solutions. Problems of ethnic or other communities are not solved by partition and forced physical separation but by participation in democratic institutions and effective constitutional and judicial protection. Cyprus, at the crossroads of continents and civilizations can be a vital bridge of communication contributing to deconfrontation and understanding, provided that it is itself free of internal fragmentation and weakness.

It is or dream to solve the problem of Cyprus not only because this will be beneficial to both communities and to the people of Cyprus irrespective of language, religion or ethnicity but because we wish to bring Cyprus into the European Union as a state based on the European concept of democracy, freedom, justice, human rights and compliance with the rule of Law.●

The PRESIDING OFFICER (Mr. MATHEWS). The Senator from Delaware [Mr. ROTH] is recognized for 10 minutes.

THE NORTH KOREAN NUCLEAR PROBLEM

Mr. ROTH. Mr. President, the death of Kim Il-song this past weekend has made an already dangerous and uncertain situation on the Korean Peninsula even more menacing and unpredictable.

We should never mourn the passing of a dictator as brutal and malevolent as Kim. Yet with Kim's departure, we no longer know who, if anyone, is making decisions in North Korea.

Kim was a man who had a firm and unquestioned grip on the reins of

power. Over the course of a half century as North Korea's only leader, Kim created a personality cult so effective that he literally came to be revered as a god-king.

Kim Chong-il, son of Kim Il-song, appears on his way toward replacing his father. The elder Kim had been grooming him for two decades to assume the mantle of leadership, and more than 10 years ago, Kim Il-song designated him as his successor. Much doubt remains, however, over whether Kim Chong-il will be able to maintain power. He is an untested leader who commands very little of the respect accorded his father.

The United States has virtually no capacity either to influence the struggle for power within the North or to ameliorate any unrest that might arise in the midst of that struggle. Moreover, we have absolutely no ability to foretell the intentions of the North, even if Kim Chong-il successfully takes control. With Kim Il-song's death, a thick fog of uncertainty has descended over North Korea, both within its borders, and in its relations with the outside world.

Yet that fog has not obscured all the problems presented by the North—indeed, some have even been clarified. For example, our goals in Korea remain the same: We seek a peaceful, stable, and nonnuclear peninsula, a North Korea that lives up to all its obligations under the Nuclear Nonproliferation Treaty, and full implementation of the Joint North-South Denuclearization Agreement.

In addition, Kim's death has not changed the very limited timeframe we have available to settle the challenge posed by the North's nuclear program. Pyongyang made clear last month that the protective cladding on its spent nuclear fuel rods will deteriorate and begin to pose a serious safety hazard by the end of August.

At that point North Korea will have to do something with the fuel, including, for example, reprocessing the fuel. Of course, weapons-grade plutonium will incidentally be produced as a result of reprocessing. But so long as International Atomic Energy Agency officials oversee the reprocessing and certify that the North maintains "continuity of safeguards,"—an expression of magnificent vagueness—it will not have compromised its obligations under the Nuclear Nonproliferation Treaty.

The stakes in our confrontation with the North remain as high, if not higher, than ever. To begin with, should we allow Pyongyang to fulfill its nuclear ambitions, the NPT, coming up for renewal next year, would be rendered irrelevant.

Moreover, all of East Asia would be destablized by a nuclear North Korea. Should Pyongyang be permitted to continue its nuclear weapons program, a regional nuclear arms race, including the two Koreas, Japan, and Taiwan, would almost assuredly ensue. With China and Russia already possessing nuclear weapons and historical, territorial, and political disputes festering among and between all six countries, East Asia would become a terribly dangerous place.

So too might other regions of the world as Pyongyang can be expected to become a willing seller not only of the technology of nuclear weapons production, but even of the weapons themselves. Given the country's impoverishment and its history of unreserved weapons sales to rogue states, the Libyans, the Iraqis, the Iranians, and any number of terrorist organizations would suddenly have open access to the ultimate weapon of diplomatic blackmail.

Of course, even if North Korea were not capable of producing nuclear bombs, Pyongyang's conventional weapons capabilities alone are enough to give one pause. The area around the military demarcation line dividing North and South is the most militarized terrain on the entire planet.

If the worst were to occur, and war were to break out on the Korean peninsula, America's 37,000 troops stationed in the South would be treaty-bound to fight alongside the South Koreans. United States and Republic of Korea forces would certainly achieve victory, but at indeterminable cost. North Korea fields a military of at least 1.2 million, with 65 percent of its forces offensively positioned on the demilitarized zone just 30 miles from Seoul. Pyongyang maintains the world's biggest special operations forces, has a large ballistic missile arsenal, and has produced chemical and biological weapons. Its massive artillery formations have the potential of blanketing the South with as many as 20 million shells each day.

In the last Korean war, 54,000 Americans lost their lives, as did as many as 4 million others—South Koreans, soldiers from the more than a dozen member countries of the U.N. force involved in the conflict, North Koreans, Chinese, and Soviets. Another war could easily cost as many lives, if not more.

Beyond the enormous, tragic human loss that would result from war, further potential dangers loom—economic chaos, perhaps an irreparable break in the United States-Japan alliance.

Economic growth throughout East Asia—a key to global prosperity—would suffer a severe setback. Even if North Korea were to collapse simply from internal stresses rather than war, reconstructing Pyongyang's economy could cost anywhere from $300 billion to $1 trillion. Obviously, if war were to break out, the costs of the conflict and of reconstructing both Koreas would be far greater, certainly enough to have very negative consequences for the global economy.

A war on the Korean peninsula also poses grave problems for United States-Japan relations. It is important to note that in defending South Korea, the United States implicitly would be defending Japan. As Tokyo has consistently noted in its annual Defense White Papers, the presence of United States forces in South Korea and our commitment to defend the South contributes to peace and stability throughout all northeast Asia, including Japan.

Yet Japan has not only steadfastly avoided serious public discussion of the problems posed by the North, its weak political leaders languish in esoteric legal debate over what Japan can and cannot do should economic sanctions be imposed on the North, a blockade instituted, or conflict break out.

Under currently accepted interpretations of the Constitution, if war did erupt, Tokyo would be forbidden from putting its forces on the line—except in the unlikely event that Japan were directly attacked by North Korea. Thus, Japan's 700 fighter planes, its state-of-the-art antisubmarine technology, its minesweepers, and its personnel would sit idly by as Americans and Koreans lost their lives, partly to protect Japan.

When the war was over, and the accounting done, Americans would undoubtedly consider Japan an untrustworthy ally. We would ask why our sons and daughters had to die defending a country that assumed little or no risks itself, a country, moreover, that is so often viewed as having taken economic advantage of the United States for decades. Japanese impotence in the face of a war fought partly on its behalf could well push the crucial bilateral relationship to the breaking point.

The goals, timetable, and stakes involved in the confrontation on the Korean peninsula suggest a number of actions we and our allies should undertake.

First, while we should give a negotiated solution as much chance as possible, we must recognize the severe time constraints we face. We must, therefore, immediately and comprehensively define the "freeze" North Korea claims to have placed on its nuclear program. At a minimum, that definition must prevent North Korea from reprocessing any more nuclear fuel. It must include a freeze on the construction of the second unfinished reprocessing line, two partially completed nuclear reactors, and the fuel rods needed for those reactors. It must also permit an IAEA inspection regime that can fully verify the freeze remains in force. In addition, we must make it absolutely clear to the North Korea regime that should they initiate a war, that conflict will only end when that regime and their country are destroyed.

Second, given the enormous military costs we face on the Korean peninsula

I believe United States preparations intended to deter North Korean aggression should be sped up, though in such a way that we do not provoke the North into starting a conflict. We owe it to our 37,000 troops stationed in South Korea to give them the best means possible to defend themselves.

I believe the following steps should be considered: enhanced counter-fire capabilities; an increased readiness posture of United States forces; deployment of additional troops, fighter aircraft, Apache helicopters, and a carrier battle group; the prepositioning of bombers, tankers, and stocks in the region; upgraded intelligence collection and sharing with South Korea; delivery of additional antitank weapons and precision-guided munitions; enhancement of defenses against chemical and biological weapons; deployment of additional mine countermeasure assets and antimissile systems; and actions to ensure compatibility of command, control, and communication systems between United States and Korean forces.

Third, the administration must make a concerted effort to explain to the American people the vital interests we have at stake on the Korean peninsula, the risks we face, and the reasons we are willing to take those risks to protect our interests.

Fourth, we should do all we can to work as closely as possible with all those countries that share our interest in addressing the North Korea problem—South Korea, Japan, China, and Russia. The United States must be mindful, however, of sensitive circumstances Japan and China face in this situation.

Japan's Constitution, for example, is nearly sacrosanct, and the Japanese public has understandable, historically based reasons for its strong pacifism. Yet Japan must address the tangle of legal and constitutional obstacles to its participation in applying sanctions, a blockade, or engaging in a military conflict with North Korea, as soon as possible and certainly before a crisis erupts in Korea. If not, the United States-Japan relationship could be put in grave danger.

China is being pushed in two directions, but it should be in their interest to join us in creating a peaceful and nonnuclear Korean peninsula. A nuclear arms race in northeast Asia would pose a direct threat to China. A war on the peninsula would wreak havoc on the regional economy in which China is a central player. At the same time, however, 900,000 Chinese troops fought with the North during the Korean war. In addition, North Korea remains one of the last redoubts of communism.

Time is of the essence if we are to solve the Korean peninsula. Clearly we cannot wait for a resolution of the power struggle in Pyongyang before we act. The stakes are simply too high.

Mr. President, I yield the floor

Mr. President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

ORDERS FOR THURSDAY, JULY 14, 1994

Mr. FEINGOLD. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:45 a.m. Thursday, July 14; that following the prayer, the Journal of proceedings be deemed approved to date, and the time for the two leaders reserved for their use later in the day; that there then be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each, with the time until 9:30 a.m. under the control of Senators DOMENICI and MIKULSKI or their designees, with Senator CAMPBELL recognized for up to 10 minutes and Senator BRADLEY for up to 20 minutes; that at 10 a.m. the Senate resume consideration of H.R. 4426, the Foreign Operations appropriations bill; that the vote on or in relation to the Helms amendment No. 2253 occur at 11:30 a.m.

The PRESIDING OFFICER. Do I hear objection? The Chair hears none, and it is so ordered.

RECESS UNTIL 8:45 A.M. TOMORROW

Mr. FEINGOLD. Mr. President, if there is no further business to come before the Senate today—I see no other Senator seeking recognition—I now ask unanimous consent the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 6:30 p.m., recessed until Thursday, July 14, 1994, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate July 13, 1994:

THE JUDICIARY

MICHAEL A. HAWKINS, OF ARIZONA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE THOMAS TANG, RETIRED.

WILLIAM T. MOORE, JR., OF GEORGIA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF GEORGIA VICE ANTHONY A. ALAIMO, RETIRED.