

Finally, our budget plan calls for tax relief in the form of a permanent, \$500-per-child tax credit for families. Millions of middle-class families across the Nation would benefit from this measure. A family with two children, for example, would be given the opportunity to invest or spend as they see fit the \$1,000 that otherwise would have been paid to the Federal Government. This is the way it ought to be. This is a true middle-class tax cut. In fact, the tax credit would be phased out for unmarried individuals with incomes over \$75,000 and couples with incomes over \$110,000.

Mr. President, not many days remain in the 104th Congress. I sincerely hope that before we adjourn, this Congress and the President will be able to agree on legislation to assure a balanced budget by 2002. Our Nation's economic future and the quality of life for the next generation depend on a balanced budget. We must not lose sight of this goal and we must not delay. I urge my colleagues to give their full support for legislation to implement this budget and to push forward in our efforts to ensure economic growth, more job opportunities, a higher standard of living, better opportunities for our children, and a country free from ever-increasing debt.

TRIBUTE TO SOUTH DAKOTA NATIONAL GUARD 57TH TRANSPORTATION DETACHMENT

Mr. PRESSLER. Mr. President, it is with a great sense of pride that I rise to pay special tribute to Capt. Andy Gerlach, Pfc. Jess Berg, Specialist Travis Nelson, Sgt. Alan Kludt, Sgt. Glenn Nordemeyer, Specialist Fred Emmetsberger, Sgt. Jim Aarstad, and my nephew Specialist Steve Pressler. These eight dedicated South Dakotans are members of the South Dakota National Guard 57th Transportation Detachment. Today, they will return to South Dakota after having been the only Guard unit from South Dakota called to serve as part of the peace-keeping mission in and around Bosnia. The 57th Transportation Detachment was called to active duty in December 1995 with the primary responsibility of supporting rail operations in Bamberg, Germany. The 57th coordinated the movement and transportation of military personnel, materials, equipment, and supplies to Bosnia.

Mr. President, all South Dakotans are proud of these eight outstanding guardsmen. As a Vietnam veteran, I have deep respect and high admiration for these young men. I am sorry I cannot be in Brookings, SD, personally to welcome them home and see them reunited with family and friends. The men of the 57th have done their duty to their country with professionalism and dedication. South Dakotans always have been ready to answer their country's call to duty. The men of the 57th are a shining example that Americans stand ready to defend the interests of

their Nation and their values. I am confident the 57th will continue to serve South Dakota and our Nation in an equally outstanding manner in the future.

NATIONAL DEFENSE AUTHORIZATION ACT

Mr. WARNER. Mr. President, I rise to speak on behalf of the 1997 defense authorization bill. I am privileged to serve on the committee with the distinguished chairman, Mr. THURMOND, of South Carolina, and the distinguished ranking member, Mr. NUNN, of Georgia, and I wish to compliment them, together with their senior staffs, for putting together an excellent bill and conference report. It is my hope and expectation that conference report will be voted on favorably by this body very shortly.

Mr. President, as we deliberate this bill, let us put ourselves in any of 10 places beyond the shores of this country where men and women of the Armed Forces are standing guard, or actually in some instances basically looking down the rifle bore of a potential enemy, but standing guard and taking those risks in the cause of freedom.

It is for that reason I so fervently hope this body turns to the defense authorization conference report and passes it this afternoon such that it can go on to the President from the Senate and the House and receive the President's signature and be enacted into law.

This conference report goes a long way towards ensuring that our Armed Forces will remain capable of meeting the many challenges that lie ahead. Let me dwell on that for a moment—challenges that lie ahead. Today, we have the finest equipment for the men and women of the Armed Forces, but it takes basically 10 years, 10 years from the drawing board until the next generation of weapons systems are delivered by the American industrial base. And we are proud to have in this country the finest industrial base in the world. But it will take them 10 years from drawing board to delivery to the men and women of the Armed Forces.

Our actions today ensure that those young men and women today barely in their early teens will have that equipment when they, hopefully, volunteer to assume their role on the ramparts not only of this country but across the world to achieve freedom.

To achieve this goal the conferees had to add \$11.2 billion to the Clinton administration budget request. We concentrated those additional funds on just that, providing the research and the development, from the drawing board to providing the funds for the production lines all across the America for airplanes and ships and missiles, trucks, tents, and the like for our men and women of the Armed Forces 10 years hence.

Earlier today I had the opportunity to talk by phone to Secretary of De-

fense Perry. We discussed his mission to Saudi Arabia. Deep in the hearts of every person in this Chamber is the sadness for the loss of life due to terrorism—make it clear, Mr. President, terrorism—when those barracks were maliciously partially destroyed by a truck bomb.

The Secretary advised members of the committee that he is taking steps to ensure greater security for those troops, and, indeed, that requires moving from their present quarters to places elsewhere in Saudi Arabia. But that is what this money is for.

I must point out, however, that even with the funding added by the conferees, this year will mark the 12th straight year of declining defense budgets. The funding level in the fiscal year 1997 conference report represents a real decline of \$7.4 billion from last year's bill. Just 12 months ago this Chamber acted on that piece of legislation and already there has been that significant depreciation in the spending level for the Department of Defense. To all of our critics I say that we have not increased defense spending. This bill merely lessens the rate of decline.

As I stated, U.S. troops are currently deployed in 10 separate military operations overseas. Despite the end of the cold war, we are calling on the men and women of the Armed Forces at an ever increasing rate to endure more and more separation from families. What a joy for Members of this Chamber to go home in the evening and join their wives and their children, and for millions and millions of other Americans wherever they may live. But so often the man or the woman in uniform is deployed beyond our shores and separated from that which he or she regards most precious in life—their family. They do that, as volunteers, so that we can have the exercise of free speech and all the other many blessings that this country enjoys.

Despite the end of the cold war, we are calling on these men and women, again, to take more and more deployments abroad. It is our responsibility, then, to provide our troops with adequate resources so they can effectively and, I underscore, Mr. President, safely—not only effectively, but safely—perform their missions. We must not now, tomorrow, or ever send them into harm's way without the best possible equipment.

The conference report which passed the House last night and is currently waiting Senate action provides for our troops, not only by adding desperately needed funding for the procurement, which I have addressed in the R&D, but also by funding vital quality-of-life initiatives such as the 3-percent pay raise for our troops, enhanced military medical benefits, and almost \$500 million of budget requests for construction of improved quality-of-life housing, both for families and single troops.

Just remembering back in my own lifetime, having had the privilege to serve in uniform, the pay raise is particularly very important, particularly

when you are beyond the shores and your family is back here in the United States. That pay raise means the difference in their quality of life. I cannot tell you the emotional stress on a military person, separated from his or her family, beyond the seas, when they hear that pay raise could well be in jeopardy should this body, this afternoon or tomorrow, not pass this legislation. We owe a duty to those who volunteer to see that they are adequately compensated. I hope we will do that.

In addition, this conference report adds almost \$1 billion over the budget request to provide defenses for our troops and our Nation against the very real threat that is in the R&D report, the real threat, particularly to forward-deployed troops, against missile attack. Those of us who visited the gulf operations during the gulf war saw firsthand the damage by the crudest type of ballistic missile, the Scud missile, that Saddam Hussein relentlessly fired upon our troops and those of our allies, and relentlessly fired upon Tel Aviv. Many of us here saw firsthand the devastation of those crude weapons.

We had in place our best defense at that time, barely off the drawing boards, barely off the production lines. We have an obligation to the men and women of the Armed Forces and, indeed, to all of our citizens and others deployed abroad to put our greatest strength of research and development into deterring these systems in the future.

I yield the floor.

THE PRESIDING OFFICER (Mrs. HUTCHISON). The Senator from New Hampshire.

Mr. GREGG. Madam President, may I inquire of the Chair what the regular order is? Are we in morning business?

THE PRESIDING OFFICER. We are in morning business with Senators permitted to speak for 5 minutes.

Mr. GREGG. I ask unanimous consent, then, to proceed for 15 minutes.

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

TERRORISM

Mr. GREGG. Mr. President, I wish to talk a little bit today about an issue which is on everyone's mind in America, which is the question of terrorism. I spoke briefly yesterday on this matter, but I wanted to expand on those comments because there is a great deal happening within this body and the other body and in the Government generally on how we react to this new world, which has brought this threat to us with such immediacy, as we see in Atlanta, as we see in flight 800. I think it is important to review what is happening here in the Federal response to it, where we should go from here, and also to talk a little bit about other areas that need to be addressed.

First off, the scope of the problem, I think, cannot be overestimated. The immediacy of the problem cannot be

overstated. The fact is, we have stepped out of the cold war into a very hot war, and it is a hot war that involves people who have targeted Americans and American institutions with the intention of bringing physical harm to those institutions and to our citizens.

We should not be naive about this. We are a nation which has some wonderful characteristics. One of the great characteristics of our Nation is that we always believe in the best in people. We always give people the benefit of the doubt. We are an optimistic and upbeat country. It is our nature to think positively, not only about ourselves but about our neighbors throughout the world. That is a wonderful characteristic, and, hopefully, nothing will ever cause us to lose that better nature which makes up the American personality. But it is time, also, for us to be realistic. There are evil people out there. Unfortunately, there are also governments out there which fund, support, and endorse those evil individuals. There are people out there whose intention it is to kill Americans, to destroy American institutions simply because we are Americans.

Some of this terrorist threat is obviously domestic. But the domestic threat is a manageable threat. It is a containable threat, and it is one which I believe our institutions are well structured to address already. The FBI and the various State agencies which do law enforcement are well-tooled and well-experienced in how to address, to meet, to obtain intelligence on and to respond to, domestic terrorism and acts of violence. We, as a nation, have had this happen in the past.

I remember in the 1960's we had a group called the Weathermen, in New York. We have been able to respond. I do not have any question in my mind but that we will find the perpetrator of the bombing in Atlanta and we will prosecute that person, and we will do likewise relative to Oklahoma in the prosecution area and obtain a conviction, hopefully, if that is what the jury finds appropriate.

So, domestic terrorism is a very severe problem, but it is not the core threat that we face as a nation. The core threat that we face as a nation is internationally sponsored terrorist acts, because here you have individuals who are backed up by governments or by institutions or large groups of people who have the physical and economic capacity to wreak incredible harm on our country and our citizens. This international terrorism is a new breed of threat. It is something we as a country have not faced before.

As a result, we need to take a new look from a different view of how we approach the prevention, anticipation, and, hopefully, termination of this threat.

It was reported in the press today that there are actually functions camps in Iran that may have as many as 5,000 individuals who are specifically

being trained for the purposes of executing terrorist acts, killing of Americans, killing of people from other cultures around this world that these fanatics, these criminals disagree with.

Now, whether that report is accurate, I do not know, but it is legitimate enough to have been put on the wire by a reasonable news source, and it is clearly reflective of the concern which we, as a nation, must be ready to address.

So, how do we address it? How do we address this new international threat, this new cold war which is now a hot war for us?

I think we have to begin by recognizing that as of right now, the Federal Government is not ready to address it. We have to acknowledge our weakness in this area. We have very good people at the heads of the agencies which are charged with the responsibility for anticipating and developing a response to international terrorism directed at the United States.

There are four primary agencies involved: the State Department, the Central Intelligence Agency, the Defense Department, and the Justice Department. There are also a lot of ancillary agencies that have a role in this—the Treasury Department, for example—but the four primary agencies are headed by good people, in my opinion, and they are all committed to doing something on this issue.

But the problem is that there isn't a comprehensive, systematic plan in place. There are, on paper, some systematic plans. For example, the National Security Council is, by law, charged very appropriately with the responsibility of organizing, orchestrating, anticipating the threat of terrorism and the response to the threat of terrorism. But it doesn't really do it in practice. In practice, it does very little, actually.

If you talk to each of the heads of the different Departments in charge here, they will tell you of their sincere interest in pursuing this and what their Department is doing. You can ask them, "How are you interfacing with the other Department?" And they say, "Well, we're occasionally speaking on this point and speaking occasionally on this point," and it is almost always a personal-relationship-type exchange. There is no system in place, no management structure in place, no comprehensive plan in place which directs the response to the international terrorist threat. That has to be changed.

Now, in a bill that was reported out of the Appropriations Committee yesterday, the Commerce, State, Justice bill, which is the subcommittee I chair, we put in place a series of new initiatives in the area of fighting terrorism. Not new in some instances; in some instances, they were supportive of initiatives which were already in place. But the most important part of this proposal was that we have developed by the Attorney General a comprehensive plan which will be reported back to the