

Northeast in time for the winter heating season. Profit margins are now higher on transportation fuel and the crude oil could go to meet demand for that.

The Clinton administration announced the offer last month, using a rule that allows the swap of oil from the reserve if the deals result in the return of more oil to the reserve. The offer of the swap resulted in bids that promised to return 1.56 million barrels above the amount borrowed, meaning that the average among the 11 winning bids was a promise of a 5% return.

The government accepted offers from Lance Stroud of New York and Renard D. Euell of Denver, individuals who officials said promised returns of 12% and 10%, respectively, but their bids failed last week when major traders and oil companies refused to deal with them. The failure of their bids lowered the government's potential return for the swap of the remaining 23 million barrels to about 3.5%.

The DOE started a new round of bidding on the seven million barrels yesterday. Under the new rules, bidders must post a bond of \$3 million or covering 5% of the oil they are bidding on, whichever is less. "We know that these two bidders worked hard to make them [the bids] successful, but unfortunately they weren't able to do that," said Robert S. Kripowicz, the DOE acting assistant secretary in charge of the program. He said putting the financial-guarantee requirement in the 80-page bid application form "does raise the bar somewhat in terms of what you have to have in place before you submit a bid." Still, he said, it wouldn't bar small bidders that made trading arrangements with larger companies. Ronald Peek, a Tallahassee, Fla., entrepreneur who sold his award of three million barrels to Hess Energy Trading Co. for an undisclosed sum couldn't be reached for comment.

In announcing the swaps plan, DOE was banking on a 10% to 20% heating-oil yield from refiners on the Gulf Coast, where the SPR reserves are located. But refiners there are currently converting only 8% of what they put into their refineries into heating oil. While they are posting above-average yields of 34% total distillates—which include heating oil, diesel and jet fuel—refiners are mostly focused on making on-road diesel fuel and jet fuel.

This is because the profit margins for diesel and jet fuel are higher now than for heating oil, and because transportation costs to ship products from the Gulf Coast to the Northeast have nearly doubled this year. The price of jet fuel is running four cents a gallon higher than heating oil, and diesel is running one cent higher. "Right now, that is the highest jet-fuel-to-heating-oil differential I have seen in a long time," said Kenneth D. Miller, a senior principal at Purvin & Gertz, a Houston energy consulting firm. "Speculation on being short of jet fuel in the winter is driving this."

Gulf Coast refiners could convert more diesel into heating oil, but the economic incentives might not be there, said John Hohnholt, senior vice president for refining at Valero Energy Corp. in San Antonio. "But the transportation issue plays a major role in that decision," Mr. Hohnholt said. Pipelines are busier than normal and the domestic tanker fleet is stretched thin.

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**SWEETHEART DEALS? STRATEGIC RESERVE CONTRACTS LOOK HIGHLY QUESTIONABLE**

It hasn't taken long for some of the subterranean politics of oil to spew to the surface.

Succumbing to the political pressure of rising oil prices, the Clinton administration last month authorized the release of 30 million barrels of oil from the nation's emergency oil supply. The purported goal was to release enough oil onto the market to force down soaring prices.

Eleven companies got a piece of the action, including several smaller, mostly unknown oil companies with little or no oil marketing experience. Now two of the three small companies awarded oil from the strategic petroleum reserve are having trouble getting the letters of credit guaranteeing the full value of the oil they need in order to complete the deal. One reportedly operates out of a New York apartment building. Another reportedly was incorporated about a month before the White House announced plans to tap the reserve.

If these companies can't come up with letters of credit to complete the transaction, then they'll have to back out of the contracts. Presumably that will delay the release of oil since the Energy Department had earmarked these three small firms to handle nearly one-third of the 30 million barrels. One forfeited its bid Thursday, but the other two have until midnight today to obtain letters of credit.

But this tale gets worse. There are no contract restrictions preventing companies from eventually exporting the oil they receive from the reserve to Europe where it could command a higher price, say some congressional leaders. It is possible that heating oil could end up outside the United States, and the Northeast would still shiver this winter. With refineries running at near capacity and Middle East tensions rising, chances already are slim that tapping the reserve will make much of a lasting dent in energy prices.

Senate Energy Committee Chairman Frank H. Murkowski, a critic of using the reserve to tinker with market prices, wants the Energy Department to explain how all this could happen. "If the stated purpose for the swap was to supply the Northeast with home heating oil, why wasn't there a contractual obligation that made sure it will get there?"

Good question. The possible answers aren't pretty, though. Either the Energy Department conducted an incomplete review of credentials, or these are blatantly sweetheart deals. Consumers deserve an answer.

**TRUCK SIZES AND WEIGHTS**

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MCGOVERN) is recognized for 5 minutes.

Mr. MCGOVERN. Mr. Speaker, I rise today to talk to my colleagues about the issue of bigger and heavier trucks on America's highways. As many of my colleagues know, I am a strong proponent of keeping the current truck size and weight limitations in place. Last year, the gentlewoman from Maryland (Mrs. MORELLA) and I sent a letter to the gentleman from Pennsylvania (Mr. SHUSTER), chairman of the Committee on Transportation and Infrastructure, signed by 60 other Members of Congress from districts along Interstate 95. The letter urged the chairman to reject any effort to increase the 80,000-pound weight limit for trucks traveling on any part of I-95.

Earlier this year, I introduced House Concurrent Resolution 306, the safe highways resolution, along with the gentleman from California (Mr. HORN), the gentleman from Oregon (Mr. BLUMENAUER), and the gentlewoman from Maryland (Mrs. MORELLA). House Concurrent Resolution 306 expresses the sense of the Congress that the Federal freeze on triple tractor trailer trucks and other longer combination vehicle, LCVs, should not be lifted and the current Federal limits on heavy truck weight should remain in place.

Now since April, this legislation has gained over 135 House cosponsors. Additionally, the legislation is supported by a number of public safety and law enforcement organizations such as AAA, the National Public Health Organization, the International Brotherhood of Police Officers, the National Association of Police Organizations, and the National Troopers Coalition.

Mr. Speaker, probably the best argument against lifting the Federal 80,000-pound weight limitation or freezing the current geographic limit taking on LCVs is force equals mass times acceleration. It is simple high school physics. The bigger the truck, the harder it is to stop; the harder it is on the highway itself; and in the event of an accident the harder it hits anything in its path.

Additionally, a number of truck drivers that I have talked to have told me that bigger trucks are more difficult to handle and more stressful to drive. There is no doubt that heavy trucks have inherent dangers. According to the U.S. Department of Transportation, in 1998 more than 5,000 Americans died and an additional 128,000 were injured in heavy truck accidents. Allowing trucks to get heavier only increases the danger. Heavier trucks are more likely to roll over, suffer from braking problems, and deviate from the flow of traffic, increasing the danger of a collision.

Moreover, the heavier the truck, the more likely a collision with an automobile will be fatal for the occupants of the car.

As many of my colleagues on the Committee on Transportation and Infrastructure know, the United States Department of Transportation recently released the Comprehensive Truck Size and Weight Study. This study took 4 years to complete and is the most definitive study of its kind on the topic of truck size and weight. The study projected that LCVs would have fatal accident rates 11 percent higher than single trailers if they operated nationwide. Additionally, heavier trucks will have a heavier impact on America's highway infrastructure. Again, according to the Department of Transportation study, nationwide operation of LCVs would add \$53 billion in new bridge reconstruction costs. This is a particularly important concern to my

constituents in Massachusetts, as well as to many of my colleagues in the Northeast, where bridges are significantly older than in most other parts of the country.

In addition, there would be \$266 billion in lost time and extra fuel burnt by auto drivers stuck in traffic because of bridge work. But traffic safety is not about statistics or abstractions. The damage done by motor vehicle accidents has a very human face. For me, that face most recently in the face of Linda Russell. Linda is a nursing supervisor at the University of Massachusetts Hospital in Worcester. She was badly injured when her car collided with a tractor trailer. As a result of the collision, Ms. Russell's right foot was almost completely severed, and she will be confined to a wheelchair for the rest of her life.

She wrote me in June of 1998 urging me to ask the Department of Transportation to accelerate the issuance of a final rule requiring tractor trailer trucks to be equipped with reflective tape.

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A number of my colleagues have asked me why I introduced House concurrent resolution 306 when there are already Federal restrictions in place. The answer is that I have worked in Washington long enough to know that the status quo is only the status quo. If one feels passionately about an issue, one needs to be proactive. The smallest changes add up incrementally.

For example, in 1974, States were given the option to increase maximum truck weights on interstate highways from 72,000 to 80,000 pounds and to permit operations of a twin 28-foot double trailer truck. Less than 10 years later in 1982, Congress forced every State to permit these bigger rigs.

Mr. Speaker, I will just end by simply saying that I want to thank my colleagues for standing with me in supporting this legislation, and I urge the next Congress to take this issue up early on next year when we reconvene.

#### MISSED OPPORTUNITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GOSS) is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, earlier today, during morning business, I made some comments about missed opportunities of our foreign policy and how, as we look back over these past 8 years and judge whether we are better off or worse off here in the United States of America, it is good to take a look at the foreign policy situation, because, in fact, the world is a more dangerous place, and we are, in fact, more vulnerable and more threatened as a result of 8 years of a Clinton-Gore administration.

When we look into why that is the case, what caused this to happen, we find a foreign policy that has really been characterized by photo opportunities on the one hand and lack of consistent attention on the other hand, and it has not served us as well as it might, and we have missed important opportunities at a time when the world is waiting for the world's dominant power to show clear vision and signs of leadership for the next century ahead.

As we look at some of the hallmarks, trying to go back over these past 8 years of the Clinton-Gore administration, we have found that betting on people rather than on institutions in an evolutionary process was a big problem. Putting our money on guys like Milosevic is a bad bet; and Milosevic was, in fact, the guy we put our money on in Dayton for a short-term gain in the Balkans. Unfortunately, it led to long-term trouble; and we are still not out of it there. And Milosevic, while he has now been finally removed by the people of his country in a more evolutionary way, he nevertheless still is a factor, but more important, he is still a war criminal. We have dealt with Milosevic not as a war criminal in the Clinton-Gore administration, but as somebody who we can trust in negotiations. That was a very poor choice.

Aristide in Haiti, another poor choice; a man who is an authoritarian, no friend of the United States, and has receded Haiti from the democratic promise it showed in the early 1990s. By betting on Aristide, I think we have done that country no favor at all.

Foday Sankoh in Sierra-Leone. Probably, CNN has shown the most gruesome shots of butchery, of children going out and maiming children, drugged children going out and maiming children, being used as instruments of war. This is a person the Clinton-Gore administration chose to try and do business with. When CNN pulled the cord on that and they showed Foday Sankoh for the brutal dictator and terrorist that he is, the Clinton-Gore administration retreated from that, and so far we have nothing to replace it.

So when I talk about a hallmark of betting on the wrong guy, that has been one of the problems. Another has been appeasement. We have seen continuously wishful thinking that said, if we could just get these people to go along with us, we will be all right, and we will offer them carrots. Well, we have to remember that the wall came down in Berlin because we were dealing from strength. They had no place to go in the Soviet Union and the United States of America was on the side of right and we were on the side of strength and eventually we prevailed because of those things.

Now we are going to North Korea and we are seeing extraordinary, extraordinary and, I would say, amazing scenes of our Secretary of State basi-

cally recognizing a dictatorship that is has enslaved most of its people, including its children. This is not just enslaving them physically, this is mind control as well, because the indoctrination in North Korea is total. I have been there, and I have seen it. Here, for whatever reason, we are suddenly finding our new best friend, the smiling Kim Jong Il. He is still the same old Kim Jong Il, he is not our best friend, he is a dangerous dictator, and it is a thoroughly Communist country. I do not understand why we are trying to do him a favor.

As we go through and look beyond the appeasements that we could talk about in Russia and China, let me skip to some bad judgment, bad judgment such as we have seen in the Middle East by trying to do a good job, and I give the President credit for that, but by forcing the agenda so fast for whatever motivation that it broke the framework. That was not good judgment; and we are seeing tragically tonight, every night on television, scenes of what happens when one forces a situation beyond its evolutionary capability to deal with it.

We have seen in Iraq apparent, Desert Fox. We bombed the heck out of them, and what happens? We end up winning a very short-term gain and losing our window into Iraq. We do not truly understand what is going on there now. We have lost our eyes and ears, Iraq is evermore dangerous and is now reasserting itself as a leader in the Arab world, as an evermore dangerous enemy of the United States with greater capabilities. We did not do what we needed to do there.

Mr. Speaker, this is a subject that will continue on, because this is a subject that matters to America; and I will be talking more about this in sessions to come.

#### ELIMINATION OF THE DEATH TAX WOULD BENEFIT ALL AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. TANCREDO) is recognized for 5 minutes.

Mr. TANCREDO. Mr. Speaker, for quite some time, we have been hearing from our friends on the other side of the aisle that Republican attempts to abolish the death tax is just a sop to the rich and that few "regular" folks would ever benefit from its elimination.

I would like to bring to the attention of the House an article that appeared in The Denver Post this weekend entitled "Death, Taxes end Rancher's Dream." The article describes the plight of the Laurence family who have for the last couple of generations been eking out a living from an 1,800 acre ranch in the Rocky Mountains of Colorado.

Merrill Laurence died 4 years ago and the family has been struggling ever