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House of Representatives

The House was not in session today. Its next meeting will be held on Monday, November 6, 1995, at 12 noon.

Senate

FRIDAY, NOVEMBER 3, 1995

The Senate met at 10 a.m., and was called to order by the Honorable JAMES M. JEFFORDS, a Senator from the State of Vermont.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Let us pray:

The Moses motto for living gives us the secret of making this a great day. He said, ''So you shall rejoice in every good thing which the Lord Your God has given you.''—Deuteronomy 26:11.

Gracious God, this is a day for rejoicing over the manifold good things You have given us. Help us to take nothing and no one for granted. As we move through this day we want to savor the sheer wonder of being alive as citizens of this land of freedom and democracy. Thank You for the intellectual ability to think, understand, and receive Your guidance. We praise You for the people of our lives. Help us to appreciate the never-to-be-repeated miracle of each personality. Give us patience and sensitivity for those who are troubled. We are grateful for work to do, challenges that make us depend on You more, and opportunities beyond our abilities that force us to trust You for wisdom and strength. We rejoice over Your daily interventions to help us. Today, we even rejoice in our problems, for we know that they will be occasions for You to show us Your power to provide solutions. Rather than saying, ''Get me out of this!'' help us to pray, ''Lord, what do You want me to get out of this?'' Then free us to rejoice in the privilege of new discoveries. In all things, great and small, we rejoice in You, gracious Lord of All. 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. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 3, 1995.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JAMES M. JEFFORDS, a Senator from the State of Vermont, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. JEFFORDS 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.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for up to 5 minutes each.

ENDING WELFARE FOR LOBBYISTS

Mr. GRAMS. Mr. President, on the heels of welfare and lobby reform, Congress is just beginning to address the issue of welfare for lobbyists.

Both Houses of Congress have passed legislation aimed at curbing the abusive practice of forcing taxpayers to subsidize lobbying activity. Even so, we are coming dangerously close to returning to business as usual in Washington.

The Treasury-Postal appropriations conferees have been debating the welfare for lobbyists issue for weeks. The only agreement so far has been an agreement to disagree.

Mr. President, each year, the American taxpayers give more than $39 billion—that is ''billion,'' with a ''B''—to organizations which turn around and use those dollars to lobby Congress for more taxpayer dollars.

Over the past several months, we have seen those 39 billion tax dollars hard at work here in Washington.

During this summer's Medicare debate, one of the most vocal contributors to the Medi-Scare campaign of misinformation was AARP, an organization which received more than 70 million taxpayer dollars during a 1-year period between July 1993 and June 1994—70 million taxpayer dollars.

Here are just a few other examples of American's hard-earned tax dollars at work: $250,000 went to the Child Welfare League of America, which turned around and launched a vicious ad campaign aimed at increasing welfare spending; its ad against the Contract With America's welfare reform proposal screamed, ''More children will be

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

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killed. More children will be raped;'' another $1 million went to the American Nurses Association, which proudly announces their mission to ''lobby Congress and regulatory agencies on health care issues;'' $150,000 went to AFSCME, which denounced the recent welfare plan, claiming it ''will drive more families into poverty and turn its back on hard-working Americans who fall on hard times;'' $2 million went to the AFL–CIO, which, over the Memorial Day congressional recess, used that $2 million to pressure Members of Congress on labor issues. The union's ''Stand Up'' campaign included radio ads and direct mail.

Now, Mr. President, I recognize that not all of the tax dollars used to subsidize these groups goes directly to political advocacy. And not all of these dollars go to organizations with a political agenda—many are directed to worthwhile charities that are doing the right thing in their communities.

But many of these organizations are really lobbying and political front groups that are taking taxpayer dollars and spending them on political activities.

All Americans are guaranteed the first amendment right to speak out, but they do not have the right to speak out at taxpayer's expense.

Thomas Jefferson made this point nearly two centuries ago when he said, ''To compel a man to furnish funds for the propagation of ideas he disbelieves and abhors is sinful and tyrannical.''

Not only are we compelling taxpayers to pay for the propagation of ideas they do not believe in, we are doing it behind their back, and we are adding to the Nation's enormous deficit to do it.

Mr. President, Americans work too hard for their money to see it spent for them promoting political causes they oppose. And they work too hard for their money to give it to lobbyists in the form of welfare.

Now the evidence that this welfare for lobbyists really does exist was never more obvious than earlier this year, during the lobbying reform debate.

When we came close to passing a strong provision in Treasury-Postal appropriations limiting taxpayer-financed lobbying—the compromise provision reached between Senator SIMPSON and our colleague in the House, Representative ISTOOK—our offices came under siege from groups lobbying to protect their special interest.

Now, this is not going to effect the efforts of many major groups such as the American Red Cross, the Boy Scouts, the Girl Scouts, the American Cancer Society, the United Way, and the hundreds of other organizations which still manage to lobby effectively without financial assistance from the taxpayers will attest.

Mr. President, all the Simpson–Istook compromise does is require Federal grantees to act like true charities.

It is important to understand that there is not an absolute prohibition on lobbying. The Simpson–Istook compromise recognizes that there are gray lines between activities such as providing information to Congress, and actually lobbying Congress.

For this reason, no organization will be capped at less than $25,000 and many organizations will still be able to spend up to $1 million for their lobbying activities here in Washington.

Yet even with these generous limits, opponents have cranked up a propaganda machine unequaled in any debate this year. They have even formed the so-called Let America Speak Coalition, whose members have been quoted as saying that, ''If Istook passes, nonprofits will no longer draft [regulations]. * * *''

Mr. President, why are nonprofits that receive taxpayer funding writing Federal regulations in the first place?

These groups go even further by calling this legislation a gag rule that is unfair and un-American. But I would suggest to them that free speech is not free at all if Uncle Sam's taxpayers are footing the bill for it.

The amount of disinformation being spread by these groups has been astounding.

We have all heard how those who rely on Government assistance such as students, farmers, and welfare recipients will supposedly lose their right to lobby.

The House language specifically exempts this type of Government assistance—yet the untruths continue.

The Senate needs to pass strict reforms that will require full disclosure of all Federal money spent by grantees, reforms that will truly eliminate all Federal funding of political advocacy.

We also need to stop the political games in which a grantee supports an affiliate who does the lobbying for them. And there needs to be tough penalties for organizations that knowingly violate the rules.

Mr. President, I have no desire to limit the ability of people to exercise their right to free speech—as long as its with their own resources and their own money. But there is no place for taxpayer-subsidized political advocacy in a truly free society.

The hard-earned tax dollars that we ask working Americans to send to Washington should be reserved for those who truly need them, and not to provide welfare for these lobbying groups.

I urge my colleagues to end the tyranny Thomas Jefferson warned against and support real reform that will put money in the pockets of taxpayers and keep those taxpayer dollars basically out of the pockets of lobbyists.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Alaska is recognized to speak up to 20 minutes.

MEASURE PLACED ON THE CALENDAR—H.R. 1833

Mr. MURKOWSKI. Mr. President, I have been asked by the leader to make the following statement.

I understand there is a bill at the desk that is due for its second reading.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1833) to amend title 18, United States Code, to ban partial-birth abortions.

Mr. MURKOWSKI. I understand by previous order this bill will be considered at 11 o'clock on Tuesday, November 7.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Does the Senator object to further proceeding?

Mr. MURKOWSKI. The Senator does object to further proceeding.

The ACTING PRESIDENT pro tempore. The bill will be placed on the calendar.

ARCTIC OIL RESERVE

Mr. MURKOWSKI. Mr. President, yesterday I had an opportunity to take some of the Senate's time in the morning to discuss the issue of the Arctic oil reserve and ANWR, which are, in effect, one in the minds of most people, but in reality there is a significant difference. Let me just very briefly review the significance of this area and put it in a perspective that I think can perhaps be more easily understood.

First of all, we have the area in green and the area in yellow and the small area in red, representing, in the minds of most Americans, the Arctic National Wildlife Refuge. This is a very, very small piece of Alaska, up near the Canadian border that overlooks the Arctic Ocean.

The significance of this, of course, is that in 1980, Congress acted and designated specific land uses. The uses included putting 8 million acres in a permanent wilderness. That is the area in green with the black slashes. At the same time, they put approximately 9.5 million acres in a refuge. This is represented by the green area. These were placed in a permanent status.

However, they left 1.5 million acres of the coastal plain for designation in the future because of the promise of oil and gas discoveries in those particular areas.

The red area is native land, primarily occupied by a few hundred Eskimos in the village of Kaktovik.

What we have before us is a decision by the Congress on whether or not to allow a sale of approximately 300,000 acres in the coastal plain to take place. In both the House and Senate reconciliation package, we have included the

authorization for the sale. The anticipated lease sale is about $2.6 billion. That would be split between the Federal Government and the State of Alaska on a 50–50 basis.

What I would like to point out in my description is that the entire 19 million acres is not in question by any means. It is that 1.5 million acres would be authorized for the lease sale, and that portion that would be utilized in the actual sale would be 300,000 acres.

What is the footprint? With the advanced technology that we have seen in the development of the Prudhoe Bay field, which has been contributing about 25 percent of the total crude oil produced in the United States for the last 18 years, we have seen significant development in lessening the footprint. We had a field called Endicott about 7 years ago which came in as the 10th-largest producing field. The footprint was 56 acres. Industry tells us that, if we are lucky enough to find a major discovery in this area, footprint can be produced dramatically. The first comparison was about 12,500 acres, which equates to the size of the Dulles International Airport, assuming the rest of Virginia were a wilderness. Now they say they can do it in about 2,000 acres.

So what we have here is clearly a manageable footprint. We have the technical expertise and the American engineering commitment to do it safely.

So clearly it is good for America. It is good for our national security interests. If one concludes for a moment that in 1973 when we had the Arab oil embargo we were about 36 percent dependent on foreign imports, today we are 50½ percent dependent on oil exports.

What about jobs, and what about the economy? If the oil is there, this would be the largest single construction activity in North America. Probably 80 percent would be union jobs because the skills required to develop an oilfield and provide a pipeline over to the existing pipeline are such that it would provide a tremendous opportunity for skilled workers, and the unions are the only ones that have that abundance of skilled workers.

So from the standpoint of jobs it is estimated that there would be somewhere between 250,000 and 735,000 jobs, and virtually every State would be affected. So it does have a dramatic impact on the economy. Furthermore, it would not require $1 of Federal funding. This lease sale would take place with private capital coming from the purchasers of the lands, and development would occur from private sector financing over an extended period of time.

There is some suggestion that there are environmental problems. And I would be the first to acknowledge that there is a concern over the environment—a valid concern. But we have the technical expertise to overcome that as evidenced by the development of Prudhoe Bay. Prudhoe Bay is the best oilfield in the world. You might not like oilfields. But the technology, the application, the permitting, and so forth that are mandated there clearly point out that it is the exception to all oilfields throughout the world relative to its compatibility with the ecology and the environment.

As far as the congressional interest in this sale, the idea of generating $1.3 trillion into the Federal Treasury is a significant inducement. And as a consequence of that, that in itself merits the consideration and support of this body. However, the real value is to lessen our dependence on imported oil because Prudhoe Bay is in decline. It has been producing about 2 million barrels a day. It is down to about 1.5 million barrels a day. As a consequence, by the time Prudhoe Bay is in further decline, we will either be importing more oil or we will be able to develop some of our domestic reserves. And the most promising one in North America is in this 1002 area which I refer to as the Arctic oil reserve.

Where is the base of support for this? I think it is interesting to note that we have a letter from former President Bush that I think cites very explicitly the concern, and I ask unanimous consent that the letter be printed in the RECORD at this time, Mr. President.

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

HOUSTON, TX,
October 6, 1995.

Senator FRANK MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, Washington, DC.

DEAR FRANK: I write in enthusiastic support of opening up ANWR for oil exploration and production.

My support is based on the conviction that we must not continue to become increasingly dependent on foreign oil. A major lesson from Saddam Hussein's brutal invasion of Kuwait is that we must not become totally dependent on foreign oil. Right now we have good and reliable friends in the Middle East, but it is only prudent that we find and develop our own petroleum reserves.

I am totally convinced that ANWR oil can be developed in an environmentally sound way, and that there will be no damage to the caribou indigenous to the area. I understand that some of the same extreme voices that were heard in the 1970s, voices that predicted the extinction of the caribou, refuse to admit that they were wrong. Indeed, not only are the caribou not extinct, but they have proliferated.

In addition, as you know better than anyone, the development of ANWR means jobs for American workers. That in itself is a worthy objective. I hope Congress will promptly remove all barriers to ANWR development.

Sincerely,

GEORGE BUSH.

Mr. MURKOWSKI. Mr. President, to highlight the letter dated October 16 from President Bush, it reads:

I write in enthusiastic support of opening up ANWR for oil exploration and production.

My support is based on the conviction that we must not continue to become increasingly dependent on foreign oil. A major lesson from Saddam Hussein's brutal invasion of Kuwait is that we must not become totally dependent on foreign oil. Right now we have good and reliable friends in the Middle East, but it is only prudent that we find and develop our own petroleum reserves.

The President further states:

I am totally convinced that ANWR oil can be developed in an environmentally sound way, and that there will be no damage to the caribou indigenous to the area. I understand that some of the same extreme voices that we heard in the 1970's, voices that predicted the extinction of the caribou, refuse to admit that they were wrong. Indeed, not only are the caribou not extinct, but they have proliferated.

In addition, as you know better than anyone, the development of ANWR means jobs for American workers. That in itself is a worthy objective. I hope Congress will promptly remove all barriers to ANWR development.

Sincerely,

GEORGE BUSH.

Mr. President, I would like to show very briefly the picture of the area that is currently producing near Prudhoe Bay. This gives you some idea of the number of caribou which just happen to be in this particular shot. You see the pipeline. You see an oil well being drilled. That oil well and that derrick will be removed. But clearly there is an abundance of caribou. To suggest that the caribou in the area of ANWR will be damaged, or depleted, or reduced as a consequence of activity just does not bear the essence of reality in the comparison that we have had with the central Arctic herd. And as a consequence, Mr. President, it is pretty hard to buy the argument that the caribou indeed are endangered by this.

We have had statements and testimony from former Secretary of State Larry Eagleburger who indicates that it is in the national security interests of our Nation to lessen our dependence on imported oil. He points out the reality that we have seen in the Mideast, Iran, Iraq, Saddam Hussein, Libya—a situation that is very volatile. It actually affects the national security interests of Israel as well, and, if the United States becomes more and more dependent on the Mideast sources, we are exporting our jobs, exporting our dollars, and it is contrary to our national energy security interests.

I point out, as the Presiding Officer is well aware, that in 1990 we fought a war in the Persian Gulf. That, Mr. President, was a war over oil. Make no mistake about it. We have had Secretaries of Energy—Schlesinger, Watkins, Hodel—all very, very concerned about our increased dependence on imported oil. As late as just 7 months ago our Secretary of Commerce, Secretary Brown, put out a very, very interesting and challenging statement that indeed the national energy security interests of our Nation are at stake because of our increased dependence on imported oil.

So it is just a matter of time before we are held hostage by the situation in the Mideast, a situation that will be advanced as a consequence of our increased dependence.

As far as support for this, I think it is paramount to note that in my State of Alaska—I think we have a larger chart here of the State.

The people of the Arctic are primarily the Eskimo people, and they frequent the area of Barrow, Wainwright, Kaktovik. They are nomadic in a sense traditionally. They live a subsistence lifestyle, but as a consequence of the development of Prudhoe Bay, an alternative lifestyle has been available to the people of the Arctic, and that lifestyle has provided them with a tax base. That tax base has provided them with additional necessities of life that you and I take for granted: running water and sewage disposal, as compared to the honey buckets which they previously had—an indoor bucket, and as a consequence the honey bucket man comes around once in a while.

Here is a map of the State of Alaska. Where we are talking about is these areas in the very, very far north. If you look at the map, you will see the Arctic Circle moving across here, so we are north of the Arctic Circle. It is truly a hostile environment. It has its own unique beauty, but living there in a land of permafrost where it is virtually impossible to dig because of the frozen ground, the opportunity for utilities as we know them, running water and sewage, simply do not exist. By providing the opportunity for jobs, for a tax base, these people now have a standard of living that is much superior to what they previously had. They have an opportunity for jobs if they want them. There is job training available. There is transportation available to the Prudhoe oilfields.

So my point is that the Alaska Federation of Natives, which is the organization that speaks with virtually one voice for Alaska's Native community, has come out in support of opening up the Arctic oil reserve for competitive lease sale. There is one group of Natives, the Gwich'ins, that continue to object to opening that up. And this is a relatively small group. Most of the Gwich'ins are in Canada, the area of the Arctic villages of Venetie and Fort Yukon. There are 300 to 400.

Unfortunately, efforts to try to address their concerns of the Porcupine caribou herd have been offset by extreme efforts by America's environmental community focused on the argument that, indeed, in their opinion their livelihood—the Porcupine caribou—is at risk. The proposal is to mandate that no exploration occur during the time that those caribou migrate from Canada into the area. They calve in the general area, calve in an 8-million-acre area, but there would be activity to ensure that there would be no harm to the caribou occurring at that time.

As the picture that I showed you earlier shows, we have a very, very healthy herd in the Central Arctic. What happens to the caribou herds is rather interesting. We have 34 herds in Alaska, about 990,000 caribou. About three-quarters of them are increasing, about 10 percent are in decline, another 15, 20 percent are stagnant. But as anyone knows who observes the tendency of animals that graze, if some of them overgraze the area, they decline. If there are too many predators, they decline. If there are hard winters, they decline. So they are continually going up and down. But we have had an excellent experience with our caribou, and to suggest that the Porcupine herd would be in jeopardy is just not based on any sound scientific fact.

There is opposition to this by others than the Gwich'ins. We continually see rhetoric by the environmental communities. We have recently seen the USGS develop some new figures relative to what the reserves might be. Nobody knows what the reserves are going to be until you drill, because when you look for oil, you do not usually find it. We had an oil sale out here off Prudhoe Bay called Mukluk. The oil industry assumed that there was going to be a great reserve found there. The bids went up over $1 billion. Several companies, one of which is no longer in business, bet the farm on the lease sale. They drilled. They did not find oil. The oil had been there eons ago, but it is gone now.

So the Secretary of the Interior has come up with figures that show a substantial reduction in reserves over the figures that were previously put together by USGS showing a higher reserve. The point is nobody knows.

Then there has been suggestion that the State of Alaska is not going to share this revenue. Well, we can reflect on the rhetoric. We can discuss the merits of whether or not a major portion of this area of ANWR will be damaged, and clearly, as I have pointed out, it will not.

Some people say that ANWR would only produce 3.5 billion barrels of oil. Somebody has equated that to a 6-month supply so why open this area for such a small amount. In reality, Prudhoe Bay was a supply that was anticipated to be, what, 200 days or thereabouts? The significance of that comparison is that Prudhoe Bay has been supplying the Nation with 25 percent of its total crude oil production for the last 18 years. So when you put forth an example that suggests it is only going to be a 6-month supply, you are assuming that there is going to be no further oil development anywhere in the United States as far as production; you are going to shut them all down, and therefore this becomes a 600-day supply. That is a bogus argument.

We have seen from the USGS a quick turnaround on a study that was requested by the Secretary of the Interior. The rather interesting thing was that that study was done by the California USGS people. They did not include the extended experience that was accumulated over many, many years by USGS personnel in Alaska. These were people who were trained in Arctic evaluation. Why they were not included is something that we are all a little concerned about. The Secretary of the Interior has yet to explain it. As a matter of fact, we anticipate having a hearing into that because it is inexcusable that the Secretary would not use his best expertise to get an evaluation, the best evaluation available.

The rhetoric concerning the habitat is rather interesting to reflect on. As I have said very briefly, there is no evidence that the wildlife would be harmed. That means we do not have any scientific justification to suggest we cannot open the area safely. I have indicated that the Porcupine caribou herd, which is the herd in question, has experienced a vast movement in numbers. In 1972, there were about 100,000 in the herd; in 1989, 178,000; I think today about 160,000 or thereabouts.

Some suggest, well, what about the polar bear in this area? They den in this area. People who know the polar bear know that they do not den on land; they den at sea. If you are a caucasian U.S. citizen, you cannot hunt polar bear. If you are a Native, you can take polar bear for subsistence. Very few of them are taken. But you can go over to Canada and hire a guide and go out and shoot a polar bear. It might cost you $10,000.

So when you talk about conservation of the polar bear, why, charity begins at home. We do not allow in the United States the taking of polar bear by caucasians. You can take them if you are a Native for subsistence only. So I get a little frustrated by my Canadian friends when they give their opinion relative to protecting the caribou. They are very happy to take a $10,000 bill from a hunter to go out and get a polar bear trophy.

We talk about wolves. We talk about bear. We talk about geese. There are increasing numbers. There is no suggestion that there is any decline in the wild animal population of the area, nor would there be any significant reduction as a consequence of any development.

Some say that this is the only place in the United States where the Arctic is protected. Well, there are 450,000 acres of the coastal plain—this area up here. It is already set aside in wilderness. There are over 1,000 miles of Arctic coastline in Alaska. Very, very little of that area is disturbed. And the production would be concentrated in one area, I think Kaktovik, where there is a small village, a few hundred Eskimos.

There is a radar site. There are two other abandoned radar sites. You would not know, Mr. President, one area from the other along that coast, that plain, because it is so flat and it is so much the same.

Some suggest there is no need for the oil, we have a lot of oil in the world, we can rely further on Russia. Well, as I have said earlier, we have heard from President Bush, Secretary Eagleburger, Secretary Schlesinger. We are now

moving toward a 60- to 70-percent dependence on the Middle East. Too much dependence lets others manipulate us.

What about Russian oil? Well, we have seen in Russia a series of environmental disasters, the Komi oilspill. The environmental record is absolutely unacceptable and in an unstable political situation. We have seen American companies go over there, and the infrastructure is so difficult to penetrate many of them are wondering if they made good investments.

Let me go back to USGS, which is the agency that has the obligation to make forecast predictions with regard to oil and gas in areas throughout the United States on public land.

As I indicated, we are going to have a hearing on November 8. But in 1987 the Interior Department took several years to complete the evaluation based on its estimate of what the reserves were. And we saw a few weeks ago the Department of the Interior come out in 3 days, almost with a back-of-the-envelope study, a study, as I have indicated, where it did not involve the arctic experts they had in Alaska. It was done in California. It was timed to coincide with the committee, the Energy Committee's ANWR votes.

Let me tell you what some of the career scientists over at the USGS have to say about the Interior study.

This came from a lifelong Federal geology professional.

It is all too obvious that this latest ANWR reevaluation is a rather blatantly self-serving exercise in politically directed pseudoscience, a disgrace to the agency and the personnel involved.

And from a current USGS employee in Alaska:

Who is ever going to believe our numbers anymore if we start producing back-of-the-envelope assessments every time the Secretary of the Interior snaps his fingers at us? The Secretary and our director seem dead set on destroying our reputation and destroying the geological division as an organization in pursuit of short-term goals.

Finally, Mr. President, there has been discussion that somehow the State of Alaska is going to renege on this deal, that the 50–50 split somehow is going to be changed as a consequence of State action against the Federal Government. Well, that is a red herring, Mr. President.

I ask unanimous consent to have printed in the RECORD a letter from our Governor and a letter from the president of our State senate and the speaker of our State house.

I am going to just read a portion of those letters.

This is from Drue Pearce, State president, and Gail Phillips. And I would ask they be included in the RECORD, as well as that of Governor Knowles. Both these letters are dated October 17.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ALASKA STATE LEGISLATURE,
Juneau, AK, October 17, 1995.

Hon. NEWT GINGRICH,
Speaker of the House, Rayburn HOB, Washington, DC.

DEAR SPEAKER GINGRICH: On behalf of the Alaska State Legislature, we would like to thank you for taking the time to meet with us during our recent visits to Washington, D.C. and for your support of oil and gas leasing in ANWR.

As the Republican leaders of the state Senate and House, we would like to state our unqualified support for current congressional plans to allow oil and gas development on the coastal plain of ANWR and to share lease revenues 50–50 between the state and federal governments.

We are aware that some House Republicans have expressed concern about this revenue sharing in light of Alaska's right under its statehood compact to receive 90% of revenues from oil and gas leases on federal lands.

Governor Tony Knowles announced on September 28th before the National Press Club that he backs the 50–50 state-federal split of ANWR lease revenues as proposed in the budget reconciliation act. He is on record saying he will introduce legislation to change the statehood compact to provide a 50–50 revenue split for ANWR lease revenues.

As the U.S. House and Senate works to complete action on the budget reconciliation act, Members of Congress should know that we will do everything in our power to ensure that such a bill passes the Alaska State Legislature and becomes law.

Sincerely,

DRUE PEARCE,
Senate President.
GAIL PHILLIPS,
House Speaker.

STATE OF ALASKA,
Juneau, AK, October 17, 1995.

Hon. FRANK MURKOWSKI,
U.S. Senate, Hart Building, Washington, DC.

DEAR SENATOR MURKOWSKI: During my recent visit to Washington, D.C., it became clear to me that a central issue in the debate related to oil development in the Arctic National Wildlife Refuge (ANWR) is the allocation of the revenue between the State of Alaska and the federal government. Accordingly, I am writing to you to reiterate my position on this issue.

By your legislation, and that of Congressman Young, you have concluded that fifty percent of the revenues of ANWR should be used to reduce the Federal budget in order to accomplish Congressional approval.

The state is entitled to receive ninety percent of oil and gas revenues generated from federal lands in Alaska. According to your reports, Congressional action is highly unlikely unless Congress sees some direct benefit to the federal budget. In addition to all of the other strong arguments in support of opening ANWR, it has been made clear to us that a fifty-fifty split of the revenue is necessary to attain favorable Congressional action. I support your strategy to split the revenues evenly between the state and federal governments.

If there is federal enactment of the fifty-fifty revenue split, it would constitute an amendment of the Alaska Statehood Act. According to the Alaska Department of Law, an amendment to the Statehood Act requires state concurrence. This concurrence must occur through the enactment of a bill by the Alaska Legislature and approval by the Governor.

Therefore, I will introduce and pursue legislation to accept such a change if Congress adopts a fifty-fifty revenue split. In this way, Alaska's elected officials in Juneau will have a full opportunity to debate the merits of agreeing to any modification of the ninety-ten revenue formula.

I firmly believe any amendment of the ninety-ten revenue split should apply to ANWR only. I will continue to insist, by way of the statehood compact lawsuit, that Alaska receive its full entitlement on the development of other federal lands in Alaska.

The State of Alaska stands ready to assist you in attaining Congressional approval of opening ANWR.

Sincerely,

TONY KNOWLES,
Governor.

Mr. MURKOWSKI. I thank the Chair.

The first is from Drue Pearce, senate president and Gail Phillips, house speaker.

As the Republican leaders of the State Senate and House, we would like to state our unqualified support for [the] current congressional plans to allow oil and gas development on the coastal plain of ANWR and to share lease revenues 50–50 between the State and Federal Governments.

Further:

Governor Tony Knowles announced on September 28 before the National Press Club that he [supports] the 50–50 State-Federal split of ANWR lease revenues as proposed in the budget reconciliation act. He is [further] on record saying he will introduce legislation to change the statehood compact to provide [for] a 50–50 revenue split for ANWR lease revenues.

Further, Mr. President, a letter from the Governor.

. . . it has been made clear to us that a fifty-fifty split of the revenues is necessary . . .

Therefore, I will introduce and pursue legislation to accept such a change if Congress adopts a fifty-fifty revenue split. In this way, Alaska's elected officials in Juneau will have a full opportunity to debate the merits of agreeing to any modification . . .

So, Mr. President, for the record, you have a commitment from the State of Alaska relative to the revenue sharing. And, Mr. President, our word is good.

Now, in conclusion, let me just point out one of the disturbing things that is occurring on this issue. And I find it difficult to bring this to the attention of the body, but for a period of time the Secretary of the Interior has chosen to represent one segment of the issue, and that is the segment fostered by and supported in conjunction with the Gwich'in people, with the backing of the preservationists and environmental groups in this Nation.

The disturbing feature is that now we have a Secretary who is not representing the majority of Alaska's Native people. On the other hand, he is representing a small minority. Somewhere less than 10 percent.

As I indicated in my opening remarks, the Native people of Alaska, the Eskimo people of Alaska, who have lived for generations on a subsistence lifestyle have gone through an extraordinary transition. Previous to the welfare system, to the food stamps, these proud people were dependent on hunting, fishing for their subsistence. As a consequence of that dependence, they generated a small amount of cash from trapping, fishing, for the necessities of life, gasoline for their outboard motors, their snow machines, rifles,

shells, and over an extended period of time, when food stamps came in, where they qualified. So there was a transition. After food stamps came in they did not have to depend to the same extent on subsistence.

I am reminded, I might say by my staff, I said that the Secretary was representing about 10 percent of Alaska's Native people. I am told Gwich'ins consist of about 1 percent of the Native people. So, it is even smaller. But my point is, in this transition of the Native people of our State, as a consequence of food stamps, they have become less dependent on subsistence. Subsistence played a vital role, but they did not have the total dependence. So, as a consequence, trapping was reduced and a little later we began to expand the welfare system.

So, today in Alaska we have a significant portion of our rural residents, most of them Native residents, dependent on subsistence and welfare. Now we are going to cut welfare. Welfare is going to be reduced. We all know that. The BIA, that plays a major role in the lives of many of Alaska's Native people, is going to be cut. Now, these people want jobs. They want jobs at home. These are good-paying jobs associated with resource development, oil and gas. So 99 percent of America's Native people, I should say 99 percent of Alaska's Native people, support, through their Federation of Natives, or thereabouts, opening this area. We have job training capabilities in Alaska.

We have a Job Corps center. We have a good experience of utilizing some of our Native people in Prudhoe Bay. But here is a long-term job opportunity. And the Secretary of the Interior has taken a position against a majority of Alaska's Native people in favor of that 1 percent, the Gwich'ins people who oppose opening up this area for competitive leasing. The justification for that is going to have to be the Secretary explaining to the Native people of Alaska why he has chosen to represent this minority.

Mr. President, I am going to be talking further next week on some aspects that I feel are important to this body. I think what we will do the first of the week is to go into some of the fact and fiction, because America's environmental community has found this issue to be very attractive in raising funding-generated membership.

I was in one Senator's office the other day. The Sierra Club had evidently contracted with one of our Nation's communications firms. The way it worked is that the Sierra Club provided the communications firm with telephone numbers of people who were members of the Sierra Club in that particular State.

They were able to dial in simultaneously, two calls in one. They would phone a Mr. Brown in the State of Arkansas and say, ''Mr. Brown, we have the Senator's office on the line. We would like you to express your opinion about the possible drilling in the Arctic oil reserve which would ruin this area and wipe out the animals in the area.'' Immediately, the call would come in—Mr. Brown would be on the phone—to the Senator's office and be able to log in a call.

This is a pretty significant effort. It costs a lot of money. We do not have those capabilities to explain our side of the story. What we do have is 18 years of experience producing oil from Prudhoe Bay. Where would this Nation be today without that oil, that 25 percent? We would be even more dependent on the Persian Gulf.

We have the finest oilfield in the world in Prudhoe Bay, and we are proud of that. We built an expertise in the Arctic with our geologists, with our USGS personnel showing that we can open this area safely, we can do it compatibly with the environment and the ecology, as evidenced by this picture of the caribou flourishing in Prudhoe Bay. The same set of circumstances can happen in ANWR.

So we have the can-do spirit. The only difference is today we have nearly 20 years of experience. We can make the footprints smaller. We can provide more jobs in this Nation. We can reduce our national security exposure to more dependence on the Mideast. We can provide for the largest single identification of jobs in the United States which will help our unions, help our economy, and, lastly, Mr. President, what it will do is it will address our balance of payment deficits. Half the balance of payment deficit is the price of imported oil.

I want to thank the President for his attention, and I wish he and my colleagues a good day.

Mr. President, I yield the floor.

TRIBUTE TO JOHN W. ANDERSON

Mr. HEFLIN. Mr. President, I want to pay tribute to an outstanding longtime member and president of the Alabama Farmers Cooperative [AFC], John W. Anderson, who retired from his post effective September 30, 1995.

John was named president of AFC on December 13, 1989. He became a member in 1969. During those 26 years, he served in various capacities at AFC, including his management of the Anderson's Peanuts Division from 1984 to 1989.

Anderson's Peanuts was founded in 1933 by John's father, Robert B. Anderson, and acquired by AFC in 1969. Since that time, the peanut division has grown steadily and now includes buying points, shelling plants, and storage facilities in more than 20 locations. It is a major supplier of both domestic and export peanuts.

John currently serves on the board of directors of the Mississippi Chemical Corp., and has previously served on the boards of the National Peanut Council, the Southeastern Peanut Association, Commercial Bank, and Andalusia Hospital. He is a past president of the Alabama Crop Improvement Association and was selected as its Man of the Year in 1988.

A native of Andalusia, AL, John and his wife, the former Evelyn Wilder, have three grown children and five grandchildren. He has a degree in industrial management from Auburn University. He will spend—and no doubt enjoy—his retirement in Destin, FL, near two of the children. So, they will be properly surrounded by grandchildren.

John's leadership at AFC will be sorely missed, but his friendship, guidance, and example will continue to benefit the organization for many years to come. I commend him for a job well done, and wish him all the best for a long, happy, and healthy retirement.

Mr. COVERDELL addressed the Chair.

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

Mr. COVERDELL. Mr. President, it is my understanding we are functioning in morning business.

The ACTING PRESIDENT pro tempore. The Senator is correct, in 5 minute intervals.

TAX BURDEN ON AMERICAN FAMILIES

Mr. COVERDELL. Mr. President, several months ago, I was reviewing some data about the tax burden on the American family. I have mentioned it more than once here, but it was absolutely intriguing—one of the thousands of pie charts we see around here—showing the growth of taxes from 1950 to 1970, 1970 to 1980, and so on.

I was struck by this because in 1950—it always makes me think of Ozzie and Harriet, the sort of television portrayal of the average family of that time—and that family, Ozzie and Harriet, would have been sending, of every dollar they earned, 2 cents to Washington—2 cents. And outside of their local taxes and the like, the balance of what they earned they used to house that family, clothe that family, educate that family and provide for the health of the family.

What was stunning to me was if Ozzie was here today in 1995, he would be sending 24 cents of that dollar to Washington and about that much to the State and local government. So that family has lost enormous resources. They work over half the year now for one of the governments; a quarter of the year just for the Federal Government.

When I was a youngster, everybody always told me that the largest investment that an American family will ever make is for the home. That is the single largest investment by far the vast majority of Americans will ever make. That is not true anymore. Now the largest investment they will ever make is to the tax collector. That is the single largest consumer of the earnings of an American family today—the Government.

It made me curious because that is an enormous force and pressure on that

family. If somebody comes by the door and takes half of what you have, it is bound to have an effect. So I started looking for what that effect may have been.

One of the first things that comes to mind, as we all know, is that there are far more families with both parents working today in 1995 than there were in 1950. So I began to measure the growth line of taxes, because I had it in the back of my mind, ''I will bet you that line is absolutely identical to the number of families that have decided both parents have to work.''

Sure enough, the lines are absolutely parallel, within 6 percentage points. As we took more from the family, more of those families had to put both parents in the workplace and, of course, we all know the problems that follow that.

Everybody has a different reason for the altered behavior of the American family today. Our leader suggested maybe it was Hollywood. The First Lady is suggesting it is capitalism, turbocharged capitalism, that is affecting the American family. A lot of writers today think it is greed, that the American family has to have another electric can opener or an addition on the house or another car, and that is what has caused so much change in the behavior of the American family.

I reject all of those. I am sure they have had their effect, but nothing has had the effect—nothing—no institution has had the effect comparable to the Government that has taken so much of the resources out of the family. The effect is that we have marginalized those families.

How often have you read, Mr. President, that the American family is not saving today? What is left to save?

If you take an average family of $40,000 a year and take half of it, and they have $20,000 to $24,000 to provide for all of the needs of the family, of course they are not saving. About every way you look at that family—two parents working, savings down, divorce up—the impact has been staggering.

Mr. President, the point I am making is that it is absolutely appropriate in our deliberations over balanced budgets that a major piece of the equation be to lower—to lower—the tax burden on the average family, to push it down, to give more resources to the family, which is a central component of building American life, give them the resources to do it.

The balanced budget bill that we passed just last Friday, a week ago today, does just that. It has the effect on the average family of putting around $2,000 in disposable income on that kitchen table, or increasing the disposable income of the American family an average of 10 to 20 percent.

How do we do that? Well, interest rates are dropping because of the balanced budget battle. If they have an average mortgage of $50,000, we will save them over $1,000 a year in reduced interest payments. We will save them almost $200 a year on the interest payments on their car. We will save them $200 a year on the interest payments on the credit cards, or the addition on the house, or the student loan.

The average family has two children. They are going to save $1,000 a year right off the top of the tax bill with the children's tax credit of $500 per child. That is $2,000 to $3,000 for the average family. That is where the work of America is done. That is who we depend on to house a family, that is who we depend on to educate, that is who we depend upon to provide the health. It is our duty to find our way, Mr. President, to get the resources back to that family.

It is almost unbelievable that we have come to the point that the largest single investment an American family makes is to the tax collector. It used to be the home, as I said earlier. That was the single largest investment a family ever made. Not so anymore. No, it is Washington. Twenty-four percent of every dime they earn, we bring to this city. I have to tell you, Mr. President, as good sounding as all these bills you hear about are here—to educate, to house, health—no one, certainly not a Washington program, does as much for taking care of America as does her families. That is where we need to get the resources, Mr. President. That is why the reduction in taxes that we have talked about in this balanced budget resolution is so terribly important.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CRAIG). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAHAM. 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. GRAHAM. Mr. President, am I correct that I have been designated for 20 minutes during morning business?

The PRESIDING OFFICER. The Senator is correct. Under the previous order, the Senator from Florida is recognized for up to 20 minutes.

Mr. GRAHAM. I thank the Chair.

AN AMERICAN SUCCESS STORY

Mr. GRAHAM. Mr. President, for the past 30 years, the Medicaid Program has been the lifeblood of the United States health and long-term care delivery system for millions of Americans. Today, I will begin a series of presentations on the Medicaid Program. Today, I will be refuting the false notion that the Medicaid Program has been a failure and that it should therefore be abandoned. The fact is that Medicaid is an American success story.

Next week, I will continue by exposing the bogus economic basis upon which the block grant proposal is built and which is used as a purported replacement of our current Federal-State Medicaid partnership. I will suggest to the Senate through a side-by-side analysis what we know to be the demand for health care services under Medicaid and what has actually been provided under the Senate-passed bill.

Finally, I will conclude with a proposal on how a consensus can be reached which would accomplish an objective of reducing the cost of the Medicaid Program, potentially by tens of billions of dollars, over the next 7 years without destroying the essential Federal-State partnership.

The word ''failure'' has been used frequently and casually as a justification for why this country must abandon the Federal-State partnership in health care for poor children and their mothers, for the frail elderly, and for the disabled. Critics have bellowed that Medicaid is a failure, and in the next breath they say that since Medicaid is a failure we can go ahead and back out $187 billion from what has been projected as the necessary amount of money to meet the needs of those traditionally served under Medicaid.

There is a story that needs to be told. That story is an American success story, and the name of that American success story is Medicaid.

If my colleagues truly pondered the significance of this Federal-State partnership, they would not seek to plunder $187 billion from Medicaid at the expense of the health and safety of the 37 million—I repeat, 37 million—Americans who depend upon Medicaid.

The Medicaid Program truly is an American success story. The Senate should be building upon that success story, not retreating from it. The truth is the Medicaid Program has been a lifesaver. One need only look at the role Medicaid has played in reducing infant mortality in America.

When I was Governor of the State of Florida, the Southern Governors Association under the leadership of the then Governor of South Carolina and now Secretary of Education, Richard Riley, decided to tackle the unacceptably high infant mortality rate among Southern States—a rate which put the Southern States on par with some developing countries around the world. So in 1984, we formed the southern regional infant mortality project. We decided to tackle infant mortality through enhancing prenatal care, screening pregnant mothers to identify at-risk babies, and making sure that nutrition services and other resources were brought to bear on the infant mortality rate.

During the period 1984 to 1992, national infant mortality decreased 21 percent. A great deal of that progress was due to the improved performance of the Southern States. My own State of Florida knew that it had a scandalously high infant mortality rate so that it made a conscious decision to decrease infant mortality, low birthweight deliveries, and the number of women lacking prenatal care. The Federal Government was a full partner

with each of the Southern States to help achieve their impressive results. The name of that full partnership, the name of that American success story is Medicaid.

What happened in just a decade? In 1985, Florida had a rate of 11.3 stillbirths for each 1,000 live births. By 1992, that number had dropped to 8.8, a decline of over 22 percent. I am pleased to say that that rate of infant mortality in Florida continues to decline. Today the rate is 7.6 per 1,000 to live births.

Mr. President, nearly 1,000 Florida children are alive today who, had we continued the rate of infant mortality of a decade ago, would have died at birth but for the Medicaid initiative called Healthy Start.

Mr. President, prevention pays because healthier babies were born due to earlier intervention efforts, and tens of millions of dollars, Federal and State, have been saved. Florida, through the Medicaid Program, has been able to invest in success rather than simply pay for failure.

Success stories like that where States are willing to make a commitment to improve the lives of their citizens found a willing Federal partner. Those States cry out for the continuation of the Federal-State partnership, the American success story called Medicaid.

In total, Medicaid pays for more than one-third of the births in America. I would like to repeat that, Mr. President. Medicaid pays for more than one-third of the births in America. Medicaid covers one-fourth of all of America's children's health care. The great majority of those 1-in-4 children are children who are living in homes with working but uninsured parents.

In Florida, that translates into 991,000 children, children who, because of Medicaid, are eligible for immunizations, checkups and other preventative measures. So many of these Medicaid recipients are the casualties of the private sector's retreat from the health insurance needs of their employees and the families of their employees. The General Accounting Office reported that between 1989 and 1993, the percentage of children with employment-based health insurance declined 9 percent.

This could have resulted in a national crisis in health care for poor children. How was that crisis averted? A success story was written in America, and the name of that American success story is Medicaid. Because of Medicaid, the number of uninsured children did not increase when employers were dropping coverage for those children.

As the General Accounting Office has reported, as the private sector retreated from the provision of private health insurance to their employees, and particularly to the dependents of their employees, Medicaid has become the lifesaver for those poor children. It has been the lifeline for those children who otherwise would have been an American crisis, health crisis.

Mr. President, Medicaid has also been a lifeline for our Nation's frail elderly. Over 60 percent of the nearly 2 million nursing home residents in this country qualify for Medicaid, many qualifying only after their life savings have been depleted by successive medical crises in their own lives.

Approximately a quarter of a million older Floridians receive Medicaid, and 70 percent of Florida's Medicaid budget goes to pay for services to the elderly and disabled. Great strides have been made in improving the quality of care for our elderly who depend on Medicaid for their survival.

I would like to look for a moment at the qualified Medicare beneficiary program which covers Medicare premiums, deductibles, and copayments for beneficiaries who have incomes below the Federal poverty level. Mr. President, there are 5 million low-income elderly Americans who qualify for Medicare but could not pay the $46.10—soon to be almost double that amount—of monthly payments in order to participate in the voluntary Medicare Program to provide physician services. They could not afford to pay the $100 deductible—soon to be a $210 deductible—but for the fact they were able to receive the financing for that deductible through the Medicaid Program.

They did not have the private resources to pay for prescription medication. And, therefore, Medicaid came to the aid of 5 million poor older Americans to provide critically needed prescription medication. This program has meant the difference between preventive care in a doctor's office and intensive care in a hospital or acute care in a nursing home.

Medicaid is an American success story. Mr. President, the individuals whose lives have been bettered through the Medicaid Program each have their own story to tell.

I ask unanimous consent that a sampling of those stories provided by Families USA Foundation and the Long Term Care Campaign be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. GRAHAM. Mr. President, I appreciate your accepting those stories, which are profiles in courage, the courage of a loving family trying to deal with health setbacks and scarce resources. These families could have been your family, they could have been my family, they could have been any American family.

We cannot turn our backs on our citizens who have given so much to our country, nor can we retreat on the gains we have made in providing a decent quality of life for our Nation's developmentally disabled citizens. We all remember when a consensus emerged from across the country, ''Stop warehousing the handicapped in those shamefully large institutions.'' That was the goal, an ambitious goal, to get as many people out of institutions and into community-based home settings as possible.

The Federal-State partnership called Medicaid became the framework to achieve that national objective. Medicaid said to the States, ''If you are interested in providing a more humane living environment for your vulnerable citizens, we will be a full partner with you.'' Some States, many States, moved quickly. Unfortunately, others chose not to do so.

That is one of the attributes of the Medicaid Program. It is a Federal-State partnership, but the results for those States which did move speak for themselves. In 1967, there were 194,000 mentally retarded or developmentally disabled persons living in State institutions. By 1994, there were 67,600.

When you look at the cost of care, it costs $65,000 per year per institution bed. It costs the State and the Federal Government $26,000, on average, to provide a home waiver bed.

These numbers provide some sense of the huge cost savings which the American success story of Medicaid has made available to American people while at the same time enhancing the quality of lives of some of our most vulnerable fellow citizens. But even more impressive than the savings are the number of people whose families stayed together, at home, because of Medicaid.

Mr. President, that incredible effort at deinstitutionalization of the handicapped and helping them live at home or in home-like settings is a success story. And the name of that American success story is Medicaid.

Today, some 6 million disabled Americans are covered under Medicaid. I submit that there is a compelling national interest in assuring a humane quality of life for the disabled and the infirm. The nursing home standards, the Medicaid waiver programs, the spousal impoverishment provisions, these and so many more tools have helped to build a decent quality of life for persons who live at our mercy and their families.

Recently, Mr. President, I visited the Arnold Palmer Clinic at the Orlando Regional Medical Center. I was struck by the number of infants and toddlers who were developmentally delayed or disabled and that were being served at the Arnold Palmer Clinic. The directors of the clinic stressed that if you can bring therapy and treatment to those children from infancy to the age of 3, you can avert many of the problems that will otherwise occur in later life.

I was impressed with the results that I saw. What they are doing at the Arnold Palmer Clinic is writing a success story. And the name of that success story is Medicaid. Fully two-thirds of the children who were participating in the Arnold Palmer Clinic for handicapped and disabled children were being served under the Medicaid part H program.

Yet, the children, the disabled, the elderly, are not the only ones with a huge stake in the Medicaid debate. So often the debate on Medicaid has been dominated by doctors, hospitals, nursing homes, and those whom they serve. We forget how the mentally ill and those overcoming substance abuse problems will be affected by the pending proposal to cut $187 billion out of the projected needs for Medicaid over the next 7 years.

In fact, those will be some of the first to feel the pain, the first to be cut, because they do not have lobbies, Mr. President, they do not have political action committees.

They do not have much political muscle. That statement is not a scare tactic. This is not a residue from Halloween, this is a fact.

Last year, when the State of Florida had to cut back on its Medicaid Program due to a State budget crisis, the mentally ill and their providers were the first to feel the sharp edge of the budget cutting knife. Children's mental health programs were cut, payments to providers were reduced, and this year the cutbacks are expected to be even more severe.

Has anyone on the Senate floor discussed how Medicaid funds the institutions for the mentally ill? Has anyone talked about how it is possible to cut costs in caring for persons who are found not guilty by reason of insanity or incompetent to proceed to trial? How do you cut costs here? Do you put them on the honor system? Do you cut back in security at the facilities?

Yes, Mr. President, it is a well-kept secret, but Medicaid helps to keep our streets safe. In Florida, a full $50 million in Federal dollars this year primarily through Medicaid goes to the residential and treatment service for forensic patients. In total, Medicaid covers 41 percent of the budget for State mental health programs. Let me repeat that, Mr. President, because I do not believe that many of our colleagues understand that fully 41 percent of the budget for State mental health programs is financed through a program that we are proposing to cut $187 billion from projected needs over the next 7 years.

In some States, the percentage is substantially higher than 41 percent, particularly in those States which have abused the disproportionate share of funding for hospitals.

Next week, I intend to talk in detail about the abuses that have occurred in the disproportionate share program. Believe it or not, we are about to reward the very abusers of the Medicaid system and even worse, Mr. President, to pay for those rewards by raiding the Social Security trust fund. That is what happened a week ago today.

Of course, because of the blind rush to pass sweeping changes in Medicaid without so much as a hearing, the U.S. Senate has not fully heard from the children who have been sexually abused and mentally scarred, children whose chance to have a normal life hinges on mental health services that are funded through Medicaid.

The Nation currently has over 300,000 children who have been abused while living in foster homes. So many of them receive little or no mental health services. The State of Florida has over 9,000 foster children and is in Federal court as a defendant because of the lack of mental health services for these children. It is not ironic that the Senate will maintain the entitlement status of its foster care title IV program while gutting the entitlement that helps foster children get mental health treatment. It is not ironic, it is schizophrenic.

We are saying to foster children that we will keep the entitlement that covers the cost of a roof over their heads, but we will no longer help them deal with the wounds of their heart. We are going to cut $187 billion and, of course, that means that mental health, AIDS, program for the handicapped are on the chopping block first. What a shame it would be to abdicate responsibilities to such populations where so many great strides have and are being made.

The Presiding Officer now represents the State of Mississippi, one of the States that participated in the program that I referred to earlier, the effort across the South to reduce infant mortality. I mentioned, Mr. President, that in my State of Florida when this effort began in 1985, we had a ratio of 11.3 stillbirths for every 1,000 live births, and today, largely because of the kind of initiatives that Medicaid has funded, that has been reduced in the State of Florida to 8.8 per 1,000. You might be interested, in the State of Mississippi, in 1985, the rate of infant mortality was 13.7 per 1,000 live births. Today, that has been reduced to 11.9, or a 13.1-percent reduction, in the period from 1985 to 1992.

That is illustrative of the kind of success stories that are attributable to the Federal-State partnership of Medicaid.

I say shame on the Governors of the States who are now cheerleading for the destruction of that partnership. I have a warning for them, or more accurately a proverb for them. The proverb goes as follows: Fish see the worm not the hook.

These Governors who are salivating, who are so anxious to gobble up block grants being proposed, will feel the hook when their economies stumble, when an epidemic strikes, when a natural disaster hits, when inflation creeps up again, or when their population grows. Worst of all, they will be held accountable in history for killing a program that actually had achieved its objectives and nurtured a national pride in providing basic health care for fragile and vulnerable citizens.

I have strained my eyes to see and my ears to hear the justification, the policy basis for the amount of $187 billion. What is the rationale? What is the health policy behind reducing this program $187 billion over the next 7 years, reducing it below what its current projections are that will be necessary in order to continue to provide health care to poor children, their mothers, the disabled, and the frail elderly?

The response to this is dim words and inaudible whispers. There is no answer to the question of what is the policy rationale behind the reduction in terms of health care for the American people.

Is it any wonder that millions of Americans, including this Senator, are left to conclude that the measuring stick being used for the $187 billion Medicaid cut is the width of the wallets that will be fattened by the tax cut, a cut taken in part out of the lives of working people and defenseless people?

To tout Medicaid's success is not to ignore its faults. There is work to be done to improve its accountability, to combat fraud and waste, and to monitor its growth in spending. Next week, I will talk about how we can achieve these objectives without discarding the Federal-State partnership that has helped to maintain this country as a Union of States and has helped to maintain a basic American value: That we care about all of our people; that we particularly care about poor children; that we particularly care about the health of the mothers of those poor children; that we particularly care about those who live in the shadows of life, the disabled, and the frail and elderly.

I have only skimmed through the pages of 30 years of the success story which is Medicaid. I urge my colleagues to think twice before closing this chapter of America's history. Medicaid has not been a failure, it has been a success. This success story needs to be told and retold from the healthy infant born to the frail elderly living in dignity; from the disabled adult to the handicapped child; from the abused child to the immunized child. These are the faces of the success story that is called Medicaid. These are the faces that are watching the Senate at this defining moment of American history.

EXHIBIT 1

[From ''Hurting Real People: The Human Impact of Medicaid Cuts'']

FAMILIES WHO DEPEND ON MEDICAID'S LIFELINE

Here's a sampling of stories of people on Medicaid. For more names and numbers, call Greg Marchildon.

CALIFORNIA

Angela Mack, Los Osos, CA.—Angela, 43, was employed as a journalist until she suffered from a rare spinal cord disorder. She is now quadriplegic. For two years, she lived in a nursing home, but now she is able to get four hours of personal care paid by Medicaid per day and live at home. Medicaid pays this monthly cost of $1032, pays some of her prescriptions and pays the share of doctor bills not paid by Medicare. Angela receives $990 monthly in social security disability benefits and pays $350 of it as her share of medical costs. She is fortunate to live in HUD assisted housing. Still, when she finishes paying for medical supplies not covered by insurance, a high-fiber diet, and other necessary expenses, she ends the month with $0

to $2. Recently, she was notified that MediCal will cover six prescriptions per month. Right now, she takes seven. Her monthly prescription bills total $185.

DELAWARE

Sharon and Bob Dudek, Delaware.—Before Medicaid came to their aid, Bob had to tell his sons they would not be able to play Little League. ''[They] needed the money to help mommy feel better.'' Their mom, Sharon, has progressive Multiple Sclerosis and is bedridden. She is unable to care for herself, much less their two sons. Bob had to enroll the kids in day care so that he could continue working. He tried his best for a year to care for Sharon himself, but then he realized how much he was neglecting his children. He was also taking away from their futures. Their college funds were dwindling as were the rest of the family's funds. He asked Medicaid for help. Now Medicaid pays for a nurse's aide, nursing care, physical therapy, medical supplies and a hospital bed. This care would cost the Dudeks $34000 a month. Bob has employer health insurance that pays for Sharon's acute care. But he said that Medicaid has allowed him to keep his family together. Without it, he would not be able to keep Sharon at home and take care of his boys.

DISTRICT OF COLUMBIA

Millie Ross, Washington, DC.—Ms. Ross has high blood pressure, high cholesterol, ulcers, infective cysts and a problematic intestine. She had surgery on her left eye and her colon last year. The hospital bills helped her qualify for Medicaid under the medically needy program. She paid 50 cents for each of eight prescriptions. Her Medicaid coverage ended in March and she must now meet a new spend-down of over $1,000 to be covered. Meanwhile, her drugs cost over $200 a month. Her monthly income is only about $720. She has had to save money by limiting her food and drug purchases. She credits Medicaid for enabling her to buy more nutritious food when she was covered.

INDIANA

Argene Carson, Indianapolis, IN.—Argene, 80, has arthritis and has had cataract surgery. Without Medicaid, her costs would be astronomical for the drugs and the supplies necessary to properly care for herself. Medicaid allows her to have a home nurse and the funds to pay for specialized equipment. With this kind of assistance, she can live at home and remain independent.

KANSAS

Inez Williams, Kansas City, KS.—Inez, 62, worked hard running a day care center before she became ill in 1991 from heart disease and high blood pressure. Her medical treatment quickly totalled $150,000 and she had to rely on getting Medicaid to pay her bills. She had an artery transplant and a throat operation last year. She had to pay $25 copayments for each of these treatments, which was already a stretch on her family's $500 monthly income. If she had been required to pay more, she would not have been able to get the lifesaving treatment she needed.

LOUISIANA

Denise and John Oehlerts, Baton Rouge, LA.—Denise learned that she was pregnant when her husband was in a masters program in landscape architecture at LSU. Denise was working as a floral designer, but did not receive health benefits and they had a very low income. Their small income qualified them for Medicaid and allowed them to receive the prenatal care necessary to have a healthy child. Their baby, Katie, is covered by Medicaid until October, when the Oehlerts must reapply for coverage. John is now a part-time student and works full time in a landscape architecture firm. Denise still works full time as a floral designer. Neither of their jobs offers health insurance.

Karen, Dan and Alison Higginbotham, Opelousas, LA.—Alison is seven years old, but functions like an 18-month-old child. She has physical and mental disabilities from a rare seizure disorder called infantile spasms. She cannot attend to her personal needs and she cannot speak. She uses a wheelchair to travel any distance. Alison needs physical, occupational, and speech therapy every week. Her care would total $30,000 a year in doctor and therapy fees. Medicaid covers the expenses of her specialists and treatments as well as her specialized equipment. Karen also gets respite and personal care assistance through a home and community based waiver. At first, Danny's company health insurance was paying for part of Alison's care and Medicaid was paying the rest. Danny was earning $23,000 a year until he was let go by the company without any explanation. Danny has found another job and is making $19,000 a year, but the company does not offer health benefits. Medicaid covers most of Alison's expenses.

MARYLAND

Emily Holloway, Baltimore, MD.—Ms. Holloway, 73, was a history teacher and a counselor, but retired without a pension. She now receives only Social Security and SSI. Her monthly income is $478. Though she has been relatively healthy, Medicaid pays for two or three prescriptions, yearly checkups and flu shots that Ms. Holloway could not otherwise afford. A recent biopsy showed potentially scary results. Ms. Holloway is thankful that Medicaid will pay for further testing and treatment.

Bill Mauer, son of Leopoldini Mauer, Bowie, MD.—Mr. and Mrs. Mauer saved over $70,000 during their working careers. Mr. Mauer was a head waiter and Mrs. Mauer worked part time in school cafeterias. They lived modestly, and invested in stocks and land. Sixteen years after her husband's death, a series of ministrokes left Mrs. Mauer with dementia and she went to live with her son's family. Then she fell and fractured her hip. She was admitted to a hospital and then to a nursing home in 1992. Medicare paid for the first two weeks of care. After that, all of Mrs. Mauer's life savings went to pay for the nursing home. Now she has $2,500 remaining. She contributes her monthly social security check to the nursing home. Without Medicaid, she would not be able to pay the remaining cost of her nursing home care, which is over $3,400 a month.

MISSOURI

Katherine Williams, Kansas City, MO.—Katherine, 42, is legally blind and has asthma. Her esophagus is closed and she can only drink fluids and small amounts of food. She hasn't seen a doctor in three months because she knows he will tell her she has to have surgery, but she can't afford it. She has been trying to get Social Security for two years and she still hasn't been given an official decision. Medicaid pays for her doctor appointments and medicine.

OHIO

Melvin and Toi Patrick, Columbus, Ohio.—Melvin and Toi have six children, three of whom have asthma. They have some health insurance through Melvin's company, the Central Ohio Transit Authority. However, the children's asthma is considered a pre-existing condition and care for that ailment is not covered. The children's medical care, including hospital stays, daily medications and treatment, costs thousands of dollars each year. ''Had it not been for Medicaid,'' Toi said, ''the high costs of my children's health care would have bled us dry. Medicaid assistance has enabled us to remain financially independent.''

Yvette Elkins, Columbus, OH.—After giving birth to her first child, Yvette stopped working to stay home with her baby. Shortly after she resigned, she learned that she was pregnant again. Soon after, her husband left her and the baby. For the first time in her life, Yvette began receiving welfare. Two weeks after her second child was born, Yvette began interviewing for full-time jobs. She depended on Medicaid to bridge the gap between homelessness and gainful employment. Medicaid paid for prescription drugs, doctor visits, and emergency visits; all critical services since Yvette's younger child suffers from chronic ear infections. Transitional Medicaid allowed Yvette to catch up on back bills and advance far enough to obtain a job that offers benefits.

PENNSYLVANIA

Lester Thomas, Philadelphia, PA.—Lester thought that everyone had insurance and only lazy people were unemployed—until he was laid off and left without insurance. The computer cabinet manufacturing company to which he had devoted 17 years of his life, went out of business. Lester was left to provide for his wife and daughter with no income and no medical coverage. Six months before the layoff, Lester had been diagnosed with diabetes. His wife has chronic sinusitis that requires almost $200 a month in prescription drugs. His daughter has occasional sinusitis. After some time and some guidance from the Philadelphia Unemployment Project, Lester got his medical assistance card. Medicaid covered his family for the next 14 months while Lester looked for another job. He found employment with Paper Manufacturers in Pennsylvania, until that business had to downsize. Lester was let go once more. He went back on Medicaid for nine months until he got a new job.

SOUTH DAKOTA

Jackie Nies, Draper, SD.—Jackie's father has Alzheimer's disease. She and her brother worked very hard to care for him and help him live at home for almost four years. But when he started to show up at his son's home for breakfast about 15 times a day, and would scorch pans because he left the stove on all night, they realized that it was not safe for him to live at home any more. He needed round-the-clock care so he wouldn't wander off or injure himself. Nursing home costs in South Dakota are very expensive. The home Jackie chose for her dad costs $23,000 a year. In a few short years, she and her brother had spent more than $65,000 on their dad's care. Their families had nothing left. For two years now, Medicaid has paid the nursing home fees that her dad's Social Security checks won't cover. Jackie and her brother can now rest a little easier because they know their dad's getting good care, and their families won't have to face total financial devastation.

TENNESSEE

Donna Guyton, Nashville, TN.—A mosquito bite is generally irritating, but hardly ever life-threatening. After a fateful family vacation to Michigan in 1990, Donna's son, Patrick, contracted viral encephalitis, possibly from a mosquito bite. He was hospitalized for three and a half months and suffered from severe seizures. He eventually had to be placed in a drug-induced coma. Until September of 1991, he was covered under his father's health insurance. Then his father's company was bought out, and when they reenlisted in the plan, Patrick was not covered. Patrick was covered by COBRA for 29 months and in November 1992, he was enrolled in the Medicaid Model Waiver Program. Patrick then enrolled in Vanderbilt

HMO so that he could receive care from the specialists he needed. But Vanderbilt's medical director consistently denied the care that the specialists requested. As a result of poor attention and insufficient medication, Patrick has been out of school for eight months and has had other health emotional problems.

TEXAS

Peggy Sackett, Austin, TX.—Peggy 36, got freon gas poisoning while working through a temp agency. She now has Respiratory Airway Dysfunction Syndrome (RADS) and is totally disabled. Her husband works for SAM's Club and their health insurance company considers Peggy too high of a risk. She is insured through her previous company, but only for the next two years and she is only covered for problems relating to her lung injury. They almost lost the house paying for medical bills while trying to support two children. She is not able to work anymore so they are supporting the household on one income. She is on Medicaid and Medicare.

Doris Brisson, Mesquite, TX.—Doris is only able to pay for two of the four medications her doctor prescribed for her. She is a low-income widow and received SSI and Medicaid until she was 62, when she started collecting her late husband's social security. She then lost her SSI. She does qualify for the QMB benefits, but that does not cover her drug costs. Right now she can only afford to pay for arthritis and high blood pressure medication. She goes without the anti-depressants and the stomach medications her doctor prescribed.

VIRGINIA

Edna Faris, Alexandria, VA.—Mrs. Faris is 76 years old. Her husband, Wilson, worked hard most of his life. After he served his country in the Navy, he spent 23 years working as a science teacher during the day, and at a supermarket in the evening. In 1990, Mr. Faris was diagnosed with Alzheimer's disease. Mrs. Faris took care of her husband at home for three years, feeding, dressing and bathing him. His condition progressively worsened, until he became combative, and Mrs. Faris was forced to place him in a nursing home. The Farises did not have anywhere near the $48,000 yearly fee for a nursing home, so Mrs. Faris applied for Medicaid. Now Medicaid picks up most of the nursing home's tab, and allows Mrs. Faris to keep a portion of her small income to live on.

WASHINGTON

Vicki and Sean Russell, Lynnwood, WA.—Sean, 4, has a-gamma globulin anemia, an immune deficiency. In order for Sean to live, he must get infusions of gammamune into his bloodstream every three weeks. Each infusion cost about $800. Sean was insured through his father's Blue Cross/Blue Shield plan, but when his parents were separating, his father stopped paying the premiums. Vicki works part time as an administrative assistant at a law firm and as a beauty consultant—neither job offers health benefits. The only way Vicki can afford Sean's lifesaving treatment is through Medicaid. Sean has been on Medicaid since last August.

WEST VIRGINIA

Joyce and Amy Altizer, Huntington, WV.—Joyce's daughter, Amy, now 20, suffers from a multiple congenital anomaly which has left her severely mentally retarded. She has lost 70 percent of her hearing, she has a seizure disorder as well as behavioral problems. Through the Medicaid Home and Community Based Waiver Program, Any receives case management therapy, day and residential habilitation, and medical care. Her family gets respite care so they can spend time with Amy's sister and do other things typical families take for granted. Amy has also learned to be more independent with therapy.

WISCONSIN

Nathan and Hannah Iverson, Plum City, WI.—Nathan, age three, and Hannah, age five, both receive well-child visits, immunizations, treatment of ear infections and bronchitis, and prescription medicines through Medicaid. Nathan has a speech disorder. The area of his brain which controls his mouth is not fully developed. Medicaid covers his speech therapy, and, with this help, Nathan has just started to speak. Mr. and Mrs. Iverson are farmers. They have had trouble finding private insurance for their family due to Nathan's problems. They have only been able to purchase limited family coverage with a $3,000 deductible. Their policy would help pay expenses for a serious accident or illness, but is not useful for routine health care, nor for Nathan's therapy. The Iversons live modestly. Their farm income is about $12,000 per year. Because the Iverson's income is close to the poverty line, the children qualify for Medicaid.

[From the Long-Term Care Campaign]

THE FACES OF MEDICAID

Claudia and Harvey, Council Bluffs, IA.

A family struggles to pay for nursing home care.—Harvey began exhibiting the symptoms of Alzheimer's disease in his mid-50s. He lost his job as a credit manager, and tried to find work he could still handle, working as a janitor at Creighton Unviersity for a while. But eventually, Alzheimer's caught up with him, and for the past 7 years, he has lived in a nursing home. After years worlding in department stores, Claudia had just opened her own small women's clothing store. But when the bills for Harvey's care began to come in, she had to give that up. Within two years, they used all of their savings to pay over $80,000 in nursing home bills: and Harvey now qualifies for Medicaid. Most of his social security check—$755 a month—still goes to the nursing home. (Medicaid picks up the balance.) Claudia gets $253 Harvey's check, under spousal improverishment rules. She works in a local department store to get enough money to make the house payments, pay for insurance, utilities and food. As she says, she goes from pay day to pay day, never knowing for sure whether there will be enough to make ends meet. (Claudia is starting a new job with a new store that is just opening. It means a slight increase in her salary, but she will not have any more money because the amount she is allowed to keep from Harvey's check will be reduced—and that will go to the nursing home.) Harvey's nursing home now costs over $3,000 a month. They have no way to pay that bill without Medicaid.

David, New London, NH.

Medicaid allows a young man to work and live independently.—David is a 30 year old man who lives independently and works three days a week at the Granite State Independent Living Foundation as a Public Information Coordinator. In 1990 when he was a college student, David had an accident that left him a quadriplegic. After a three month hospital stay and another three months of rehabilitation, David was ready to continue with his life. Medicaid home and community-based services allows David to do just that. Medicaid paid for the purchase of an electric wheelchair which enables David to be mobile and independent. Medicaid pays for the Personal Care Attendants who assist David in his home daily. PCA services are provided eight hours a day and they help David bathe, dress, transfer, prepare food, do laundry and work on range of motion exercises. David's employer provides health insurance coverage, but the policy does not include the long term services and supports David needs to live independently and work in the community. Medicaid has made it possible for David to rent his own place and work several days a week at a job he enjoys.

Bob and Sharon, Wilmington, DE.

A family struggles to keep their mother at home.—Bob and Sharon met at the Rochester Institute of Technology, married and moved to Wilmington in 1981 when Bob went to work for DuPont. Sharon was stricken with multiple sclerosis in 1983 while she was pregnant with her second son, Matthew. Though bedridden for two years, Sharon fought back, even re-qualifiying for her driver's license. In 1988, her condition deteriorated rapidly and she became completely disabled. She cannot talk and communicates only by signaling ''yes'' or ''no'' with her eyes. She eats and takes medication through a tube in her stomach and is bedridden 24 hours a day. Sharon's two sons, Matthew and Mark help their dad care for her. Medicaid home care allows her to live with her family, providing the care that allows her to stay out of a nursing home. Bob says, ''My objective is to keep my wife and family together for as long as possible. . . . Cuts in Medicaid would force us to put her into a nursing home.''

Elaine and Stewart, Central Michigan.

A family spends everything they have and Medicaid provides a safety net.—Stewart spent 17 years in a small law practice, then was ordained a Lutheran minister and spent the next 25 years as a pastor. He and Elaine raised their children and saved for their retirement. Then Stewart got Alzheimer's disease. Elaine cared for him at home as long as she could, but she became ill and simply couldn't provide all the care he needed. When Stewart finally had to move to a nursing home, Medicare was no help because the kind of care he needed was considered ''custodial''. Elaine liquidated every asset they had—life insurance, savings, IRAs—and spent it to pay for his care. Finally, she spent everything except the $17,000 Michigan allows her to keep under spousal impoverishment rules. Elaine now spends half of her remaining income on her share of the nursing home bill; Medicaid pays the balance. This leaves her with about $1,200 a month to live on. With nursing home expenses running $100 a day, even if Elaine spent every penny she had left, she would not have enough to pay the bill without help from Medicaid. Bringing Stewart home again is not an option—Elaine is just not strong enough to provide the round-the-clock attention and physical care he requires.

Louise and Stewart, Pinellas Park, FL.

Home and community-based services allows a husband to keep his wife out of a nursing home.—Stewart has been a caregiver for his wife Louise for eight years. For seven of the past eight years, Louise has been able to remain at home with her husband with the help of Medicaid home and community-based services. When she first received services in 1988, she was unable to walk and communication was difficult—consisting of an occasional word or sentence. Louise needed assistance with all activities of daily living and instrumental activities of daily living. Today, Louise is bedbound. She can no longer speak and must be fed. Though working hard to provide care for Louise, Stewart has health problems of his own, including prostrate cancer and an injured back which prevents him from doing any lifting. Because of these problems, Stewart is unable to give Louise all the care that she needs. But the home and community-based services Louise receives has allowed her to remain at home. An aide comes to their home for two hours a day, five days a week to give Louise a bath,

feed her and change the bed. During these two hours a day, Stewart is able to run errands, go to the grocery store, and attend a support group. The long term care services Louise receives at home costs $9,224 a year. Without these services, Stewart would have no other option than to place Louise in a nursing home. He says ''I feel secure knowing Louise is getting the best of care.'' Several weeks ago, Stewart spilled hot grease on his right hand. He did not request additional services because he doesn't want to use any more than he absolutely needs.

Mary, Rogue River, OR.

A woman receives long term care at home and doesn't need to be institutionalized.—Mary is living at home with her husband and is able to visit with her grandchildren and friends on a regular basis in spite of physical problems which would have otherwise confined her to a nursing facility years ago. For four decades Mary has suffered from severe arthritis and several years ago her activities were curtailed even further because she had a stroke. Her health problems also include diabetes, edema, and depression. Mary needs assistance with bathing, transferring, mobility, meal preparation, medication management, and transportation. Until recently, her husband provided all this care that she needs. Three years ago, because he found it difficult to keep up with the physical demands of providing care as he got older, Mary's husband enlisted the help of a in-home aide for 26 hours per month. The aid helps with bathing, medication management and meals. The state pays $144.56 per month for this home-based long term care. The family's only source of income is Social Security. Medicaid pays for all Mary's medications. Without Medicaid supplementing her husband's care, Mary would need to be in a nursing home.

Jonathan, Debra and Doug, Lakeview, IA.

Medicaid allows a family to keep their child with special needs at home.—Twelve year old Jonathan attends fifth grade in a public school hopes to join a junior bowling league next year. But Jonathan has severe cerebral palsy and developmental disabilities. Jonathan began receiving Medicaid at the age of two because of his severe disabilities. He has undergone four surgeries and hundreds of medical appointments. His disability will require ongoing medical treatment and the use of customized durable medical equipment and assistive technology. Medicaid pays for his electric wheelchair so he can go to school and get around. Jonathan's family provides the care he needs with the help of Medicaid which provides thirty hours a month of supported community living. These hours help Jon become more independent in the community by helping him with mobility, money management and other skills. ''It's far cheaper to raise a child with a disability in their home than it is to institutionalize a child. Plus it just is better for families and better for communities,'' says his mother Debra. ''I think my biggest fear is that they'll cut back on services or tighten guidelines on how much they'll pay on a piece of equipment.''

Dana, Chicago Heights, IL.

Medicaid helps a woman care for her sister who has mental retardation.—Dana and her sister have lived together for the last 30 years. Dana has partial paralysis on her left side and mental retardation; she requires assistance with personal care, housekeeping, laundry, shopping, errands, and meal preparation. Dana's sister, along with her nephew, and in partnership with Medicaid, has provided that care for the last thirty years, keeping Dana out of an institution. Her sister is limited in her ability to care for Dana due to health problems of her own. Dana's income is about $275 a month from Social Security, and another $145 a month from SSI. At the same time, she pays about $50 for her medications. Dana, Dana's sister, and even Dana's nephew have all pitched in to try and make things work. But without Medicaid, Dana would be forced into an institution—and Dana's sister would face the difficult task of placing her in that institution.

Fredda, Salt Lake City, UT.

A blind woman struggles to remain in the community.—Fredda is a 68 year old woman who has diabetes. She is legally blind, hypertensive, has chronic heart failure and joint disease—and is firmly determined to maintain her independence. An educated woman, books have long been an important part of her life, and the loss of her ability to read was traumatic. In response, Fredda soon became connected to the library system's book-on-tape program. But as much as Fredda values her independence and her ability to live on her own, she could not make it without Medicaid. Her income is a mere $500 a month, and conditions make it impossible to make it alone. Medicaid helps her pay for prescriptions and also provides needed services. An aide helps her with her bathing, housekeeping, and runs basic errands for her. Fredda lives alone and thrives on her independence. Medicaid helps make that happen.

Betty and Howard, Paducah, KY.

Medicaid helps a wife keep her husband at home.—Betty and Howard married 35 years ago. Betty was in the WAVES in World War II, then came back to a job in their County Court House, from which she is now retired. Howard started as a farmer, sold cars, and finally worked as a guard for a private security force. Neither of them ever had high paying jobs, but they paid off their mortgage and saved what they could for their retirement. Now, at the age of 71. Betty provides round-the-clock care for Howard, age 79, who has Parkinson's and Alzheimer's disease, diabetes, and congestive heart failure. They live on their combined retirement income of less than $1,000 a month. After spending down their savings to spousal impoverishment levels. Howard now qualifies for Medicaid waiver services. That gives them about $150 worth of help a week—Howard goes to a day care center for 4 hours two days a week, and Betty gets help with him at home for another 6-8 hours a week. This is the only time she has for uninterrupted sleep, to shop for groceries and Howard's diapers and medications, or to take care of herself. Betty and Howard do not have children. Their three siblings are all in their 70's and 80's and have their own health problems. With help from Medicaid, Berry is managing enough time to keep herself reasonably healthy and to keep Howard at home. Without these services, Betty says, both she and Howard would quickly end up in a nursing home (with no money to pay the bill).

The PRESIDING OFFICER (Mr. COCHRAN). The time of the Senator from Florida has expired. Can the Senator suggest the absence of a quorum?

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

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

JAPANESE BANKS

Mr. FAIRCLOTH. Mr. President, yesterday, it was announced that a Japanese bank, Daiwa, will be closed in the United States and charged with fraud and conspiracy for hiding over $1 billion in losses.

The Federal Reserve has done the right thing on this issue—closing down a fraudulent bank. But of greater concern, however, is that the Federal Reserve has announced it will bail out Japanese banks in the United States should they suffer a short-term money crisis. The plan was put into place and finalized in September, but only recently was it announced to the public.

Mr. President, I think it is very important that the United States not become the lender of last resort for every country in the world, and we are rapidly moving ourselves in that direction. First, it was Mexico, and now it is Japan. Who is next around the world? Once you open this door, it is going to be extremely difficult to close. And we are opening it.

Further, if we cannot get our own budget affairs in order and our deficit under control, who will bail us out? Particularly with this President, we are getting very little cooperation from the White House in our efforts to get the budget in balance in a timely fashion.

Mr. President, everyone is well aware that Japanese banks are having extreme financial problems. News accounts indicate that Japan's 21 largest banks have $136 billion in nonperforming loans. Some have even estimated, and probably more correctly, that this figure could be as high as $400 to $600 billion in bad loans.

This is why I was concerned and dismayed that the Federal Reserve has under consideration a plan to meet the short-term credit needs of Japanese banks here in this country with the amount of problems they have in Japan.

The Fed has assured us any loans to the Japanese banks will be fully securitized with U.S. Treasury securities. But this totally misses the point and is beside the point. The principle should never be established that the United States is responsible for meeting the credit needs of foreign banks. This is a responsibility of the Japanese Minister of Finance. I repeat, we should never get in the position and start the precedent of bailing out banks around the country.

I might add that the Japanese Minister of Finance was aware of the Daiwa scandal for 6 weeks before it informed our own Federal Reserve Board. This is their financial problem, not our financial problem. I do not seem to recall any offer from the Japanese to help rescue our savings and loans.

Domestic bailouts are bad enough. It is bad enough that the U.S. taxpayers had to put up, pay for $100 billion to correct the savings and loan crisis. It was bad enough when our own banks were in trouble and the U.S. Treasury had to increase the FDIC's line of credit from $5 billion to $30 billion to support the banking industry.

Now, in a new twist, we have embarked on international rescues. What would compel anyone in this Government to think it is the role of the United States to rescue overseas banks?

This year we loaned $12.5 billion to Mexico. The money came from the Exchange Stabilization Fund, a fund used to help maintain the value of U.S. currency. A good part of that fund has been used in Mexico.

The United States taxpayers may have to and probably will have to replenish this fund if Mexico does not pay its loan back. We have had the first indication that they will not pay or will be slow paying because they have had to roll over one loan four times already.

The President did all this on his own. The President did all this without congressional approval. Now comes this new plan without any congressional approval input in any way to rescue Japanese banks.

Mr. President, this whole policy needs to be examined by the Congress. We have to make clear that we are not the world's banker. We have to make it clear to the world that we are not the lender of last resort. We cannot be the lender of last resort.

I strongly urge the Federal Reserve to cancel any plan it has to engage in this bailout.

Financial bailouts with tax dollars have to stop, and it is the responsibility of the Congress to stop it. Moreover, I cannot think of a less worthy use of tax dollars than bailing out foreign banks, particularly Japanese banks, when Japan has a positive trade balance of over $100 billion.

Mr. President, since 1980 we have spent $4 trillion we did not have. We have borrowed and borrowed. Soon, we will raise the limit to $5 trillion. We cannot afford to continue spending this way. This is the first place I think we should stop it—in bailing out foreign banks.

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

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

CAMPAIGN FINANCE REFORM

Mr. KERREY. Mr. President, yesterday's long-awaited testimony by Speaker NEWT GINGRICH on the subject of campaign finance reform was, to say the least, disappointing for me. I hope it does not represent a roadblock in the path of needed legislation to reform our campaign finance system in a fashion that does give citizens the sense that they have more power or control over the political process then they currently do.

It seems to me, the top of the list of items I would put on an agenda of things needed to be done in order to restore people's confidence in democracy would be to change our laws that govern campaigns for election either to the U.S. Senate or to the U.S. House of Representatives.

We had legislation. I actually did not support the legislation last year because I thought it created a new, publicly funded entitlement, and I did not like that. We had legislation last year that came close. The now-majority leader has indicated he believes it is a top priority. A lot of us talk about campaign finance reform. We always get right to the end and we say, ''Yes, I am for campaign finance reform, but there is something about this proposal I do not like,'' and there is always a good excuse not to do it.

The decision I made earlier this week was, in part, a response to that. I am the chairman of the Democratic Senatorial Campaign Committee, a legal organization—there is a Republican counterpart as well—that is designed to go out and find candidates and support candidates for office. It is a later subject, as to whether or not those committees themselves ought to be part of campaign finance reform. I certainly would like to see them as part of it. There is something unsavory about going out and campaigning against people you are working with all the time. But, as I said, I will leave that for a later discussion.

I, this week, endorsed and became a cosponsor of a piece of legislation that has been developed by Senator MCCAIN of Arizona and Senator FEINGOLD of Wisconsin, as well as Senator THOMPSON of Tennessee, Senator SIMPSON of Wyoming, and a number of others. It has a bipartisan group of people in the House of Representatives who are supporting it as well. Not just to say I support this legislation. There are changes I want to make in the legislation, particularly as it relates to smaller States such as mine, that I think might not be positively affected by this. What it represents is an effort to say to Republicans: Look, on this issue we have to, at some level, set down our political party concerns and embrace legislative change that will, perhaps, increase the risk to us as incumbents. It seems to me at the end of the day that becomes one of the most important risks that personally one factors in, when thinking about whether or not to support a particular piece of legislation.

I feel strongly we cannot continue to give the American people an excuse as to why we cannot do it. It seems to me that is what we always do. We say, ''I am for campaign finance reform, but * * *.'' That is what I did last year. I do not want to do it this year. I want to be able to stand here as a Democrat with Senator MCCAIN, a Republican, Senator THOMPSON, a Republican, Senator SIMPSON, a Republican, and vote for final passage of legislation that has an opportunity of being conferenced with the House bill, if not in this calendar year certainly in this session of this Congress. I find, in the Speaker's recommendation, some things I simply cannot support. He is recommending a 16-member commission on power and political reform in the information age.

It goes on. There is an article here I am holding that says, in typical expansive, characteristically expansive fashion, he urges all of us, if we really want to understand campaign finance reform and get to the heart of the matter, he urges all of us ''to study ancient Greece and Rome, pre-Civil War United States and the words of Thomas Jefferson, James Madison, Abraham Lincoln, Theodore Roosevelt, Woodrow Wilson, and Henry Cabot Lodge.''

Mr. President, I have read most of those. I have been educated far more on these matters listening to the distinguished Senator from West Virginia, I must point out, than almost any other speaker on this floor. We have, it seems to me, not a shortage of historical information. What we have is a shortage of will to vote for something that might put our own political careers at risk.

I would object personally to being told that what I have to do is what the Speaker is recommending—that we are going to have a 16-member commission. They are going to decide. If two-thirds of them vote for a specific proposal, then we have to vote for it up or down. That is a recipe, it seems to me, that on the one hand we are saying we are not going to get involved—Senator MCCAIN, Senator FEINGOLD, Senator THOMPSON, Senator SIMPSON, myself, and Senator DODD, and many others of us are saying it is time for us to enact legislation that we can reach agreement on. I reject that premise on the one hand. On the other hand, what it calls for is another delay. This commission is supposed to make its report on the 1st of May of next year. That will, in my judgment, likely cause us to not be able to enact legislation.

Second, I must say with respect to the Speaker's proposal that he has broadened this thing to a point where it is almost a self-defeating mission. By broadening it, I mean he wants to include not just campaign finance reform but the power of private sector individuals in the information age. Specifically, he references in here and compares in here, a multi-millionaire broadcaster on ABC News being given tremendous access to the American people. That individual does not represent political power; whereas, the thousand-dollar contribution being written by the broadcaster's spouse does. Then he says—and I must say, in his typically characteristic way, only the Speaker seems to be able to come up with these sorts of phrases—''This is simply a nonsensical, socialist analysis based on hatred of the free enterprise system.''

Anybody that does not see it the way the Speaker sees it hates the free enterprise system and is a socialist. Interesting argument. I will leave it to somebody else to figure that one out.

Mr. President, the Speaker knows quite well that there are many free enterprise organizations that give you—for example, Rupert Murdoch put $10 million into a magazine called American Standard. He has a political orientation there. We do not restrict that activity. I hope the Speaker is not suggesting that we get into that kind of activity because it is a self-defeating mission, if that is what we are going to do. He may not like the views of somebody on television, or somebody writing an editorial page, or something like that. But, for gosh sakes, that is not the issue.

The issue is people who decide to run for office. Once we get to office, we have power that a challenger does not have. Specifically, in my own case in the last Senate reelection campaign, I started off the campaign with nearly 100 percent name recognition. Anybody who wants to challenge me will have to spend $1 million, let us say, on the TV just to get their name up as a credible candidate. That really is a hurdle that an individual has to be able to get over if they are going to be competitive against an incumbent.

So the legislation that Senator MCCAIN and Senator FEINGOLD have put together—the reason, it seems to me, that it has merit—deals with this problem of financing head on. The Speaker, on the other hand, says—it is a remarkable headline. I cannot remember exactly. I cannot see the print. I did not bring my glasses. But he said something to the effect that there is a great myth going on in the country today that we spend too much on campaigns. That is a myth? I think he is maybe the only person in America who has discovered that is a myth, that we spend too much. That we do not spend too much is the Speaker's view. He says it is not that we spend too much, but that we do not spend enough. What we need, instead of $4 million Senate races in Nebraska, are $8 million Senate races.

Mr. DODD. Mr. President, if my colleague will yield, I have my glasses on. I was very excited to hear my colleague from Nebraska over here, so I decided to join him.

The quote here is, rather than limit campaign spending, GINGRICH said, ''One of the greatest myths in modern politics is that campaigns are too expensive. The political process, in fact, is not overfunded but underfunded.''

So that quote in that particular instance is one of the great myths I have ever heard about. I do not know about the Speaker, but I can tell you as someone who has been through seven elections, that for the average Senate race, either Republican or Democrat, candidates must raise $12,000 a week every week for 6 years to meet the cost of the average Senate campaign in the United States. If the Speaker thinks that is underfunded, then he lives on a different planet than I do.

One of the problems is too many Members spending too much time—way too much time—out there raising the money, sitting down with the people who can raise and give them the kind of resources necessary. I promise you, if we continue on the path we are going, it is going to destroy this process in this country. It has to stop.

Mr. KERREY. Mr. President, I appreciate that comment. I would like to ask the Senator from Connecticut, he is the chairman of the Democratic National Committee, and when we earlier this week endorsed what is genuinely a bipartisan bill where at the moment there are at least more Republicans on it than Democrats—what we are trying to do is get Chairman Barbour and Chairman D'AMATO, not necessarily because they like every detail. I do not like every detail in the bill, nor does the distinguished Senator from Connecticut like it. But to say we know—I think Chairman Barbour knows and Chairman D'AMATO knows. They are out there a lot with the people making contact with citizens, and citizens are saying loud and clear to us, ''Change this electoral system. Change it so that we feel like we have more power, more control, and more opportunity to participate.''

One of the things that I hope comes out of this is, rather than this just being a couple of Democrats coming down to the floor of the Senate, I am not trying to seek partisan advantage as a consequence of what Speaker GINGRICH says. I am not going after Chairman Barbour or any Republicans down here at all. Indeed, quite the opposite. I am praising Republican leadership in recognizing, as Senator MCCAIN has, and Senator THOMPSON and Senator SIMPSON have, that this process has to change. I am hopeful that leadership of our parties can say to the American people, ''OK, we are going to put our swords down. We are going to stop cranking the fax machine for a while, and we are going to let the legislative process work.''

The Members of the Senate and the House go home over the weekends. They know what is going on. You ask at the townhall meeting for a show of hands for how many favor limiting campaign spending and for reform of the process. If it is an audience of 100, you will get 100 hands. If you ask the audience how many think we do not spend enough in political campaigns, not a single hand will go up, unless somebody owns a television station and wants to spend more money or something like that.

I really believe that we know. I doubt that there is a single Member of this body who would say that the campaign laws ought to stay the same as they are. My guess is 100 out of 100 know this thing ought to change.

I hopeful, at least on this issue, that we can stop being partisan for a moment and be Americans instead and pass legislation that the American people are saying is a top priority for them.

Mr. DODD. If my colleague will yield, I want to underscore, Mr. President, what the Senator from Nebraska has said today with his leadership on this issue. The author of the legislation that the Senator from Nebraska and I are speaking about is our colleague from Arizona, Senator MCCAIN. And in the House of Representatives, similar legislation is sponsored Representative LINDA SMITH, who I gather is a freshman Member of the House—I do not know her personally, and I do not know if we have ever met. CHRISTOPHER SHAYS, a House Republican Member and a colleague of mine from the State of Connecticut whom I know, is another sponsor of the House legislation. To suggest that what we are doing is somehow partisan, is to belie the facts. I have been a strong supporter, as my colleague has, for years on campaign finance reform.

What we see with this legislation being offered by our colleagues from Arizona—and Washington and Connecticut in the House—is an opportunity to get beyond the partisanship; and, that is, to join together here, Republicans and Democrats who believe that despite whatever differences we may have on other issues and on this issue of trying to slow down and limit the proliferation of money in these campaigns, it is a worthy cause.

Whatever other differences we may have on this issue, we ought to be able to come together. By supporting a bipartisan piece of legislation, we can achieve it. How anyone can believe what the Speaker says—I read what the Speaker says here, and I quote him:

> I would guess that over half of the money I raise is spent offsetting the weight of the Atlanta Journal-Constitution.

Half the money is spent running against a newspaper in Georgia. The last time I heard, my opponent was not the newspaper. I normally end up with someone on the other side I debate with and face.

So now let me see if I understand this. We raise this much money because we have to take on our local newspapers and radio stations? That is ludicrous, Mr. President, absolutely ludicrous to make that case, for the Speaker of the House to make the case, that we need to spend more money so we can take on the media.

That is what this is about. I have never heard that argument before. I have heard other arguments about why we do not want to limit campaign expense, but never the suggestion that somehow we have to do it in order to beat back our local newspaper and columnists.

Mr. KERREY. If the Senator will yield on that one point, I find it rather ironic; Speaker NEWT GINGRICH at the start of the session made Rush

Limbaugh an honorary Member of Congress, so apparently if the views line up with your views——

Mr. DODD. It is OK.

Mr. KERREY. You make them an honorary Member. I would say it is more than just ironic that the Speaker, on the one hand, is willing to make Rush Limbaugh an honorary Member of Congress because he believes that he and talk radio have been enormously helpful, but the Atlanta-Constitution is an enemy.

The Senator from Connecticut is lucky; he has Bob Shrepf in that State so he does not have that problem. There have been many views expressed by media highly critical of the Senator from Nebraska. I think they have been wrong, almost never justified. Always some outrage boils up inside of me, and I have said, ''This is not fair.''

Well, that is free speech. It is fair. That is the press. I walked into the arena, and I should not look for somebody to blame for the problems I have. It seems to me the American people have said overwhelmingly—I do not know about Connecticut but in Nebraska over and over they say to me, ''We're sick of all that money.'' I had trouble in 1994 getting people excited about my campaign because very often they would say to me, ''We give too darned much money. We are sick of it. We are tired of seeing these 30-second ads over and over. We get sick of your face. We would like to have a race that is a bit more on the issues, a bit more opportunity for people to become competitive.''

I can think of 100 reasons why not to vote for campaign finance reform. I have a lot of reasons why I would not want to vote for it, and they are all good. I do not like public finance. I do not like this. I do not like limits. There are all kinds of reasons why I would not want to support it. But it seems to me one of the dominant things that occurs is, gee, is this going to hurt the Democratic Party or is this going to hurt the Republican Party or is this going to hurt me as an incumbent? I think we are hurting democracy the longer we wait to change this political system so the American people feel they do have more power, more control, and more opportunity to participate.

Mr. DODD. Mr. President, I just want to echo the comments made by my colleague from Nebraska. As I mentioned a moment ago, we are all too familiar with the cost of these campaigns, the ever-increasing costs. To give you an idea, 20 years ago, the most expensive race statewide ever in the history of Connecticut was when Ella Grasso ran for Governor; she spent about $400,000 in a statewide race. I am told that in 1998, should I seek reelection, the cost of a competitive race in my State, given the price of New York media, Boston media, my own State media, would hover somewhere between $4.5 and $6 million. That is in 20 years.

That is the average cost, by the way, nationwide, taking California on the one hand, the extreme case, because of the size of that State and on the other hand a State I suppose like Rhode Island. Or maybe that is not a good example—maybe a smaller State in population, Montana, Idaho, whatever it may be—the average cost is roughly $4.5 to $5 million.

That means the average Senator would have to be raising $12,000 a week every week for 6 years—from the day they arrive and are sworn in in the Chamber of this Senate, from that day forward, $12,000 a week every week.

When you consider as an incumbent the advantage of that, considering someone who might 2 years out decide to take a shot at being a U.S. Senator, what are their chances? What is the population pool from which we are likely to draw candidates for the Senate?

If you decide 24 months out that you would like to run for the Senate, you have to raise not $12,000 a week; you have to raise something like $50,000 or $60,000 or $70,000 a week, or you have to have the wealth yourself.

Last year we saw in California one individual spend $28 million of his own money, and I do not think people want to see an institution proliferated by either people who have only the personal wealth that allows them to run or that have only the access to that kind of wealth—knowing the kinds of commitments that get made in this business, have them come here already in a sense committed on a whole host of issues where the public interest would be jeopardized.

So again, I emphasize I think Congresswoman LINDA SMITH had it right, with her opinion on this idea of a commission. We have had many commissions and many studies on this. No one is fooled by that one. Forming a commission to go out and study this issue again is laughable. There has been much analysis and much study on this. The question is whether or not we have the intestinal fortitude to come to terms with an issue that demands resolution.

So I hope that these commission ideas would be shelved, and that we would get about the business here of putting a bill in the Chamber. Let Senator MCCAIN and Senator FEINGOLD bring up their bill. Let amendments be brought up to moderate and change it. As the Senator from Nebraska said, he and I may have some modifications to offer to that legislation, but we are never going to have that chance if it does not get called up.

So, while I may disagree with Congresswoman SMITH on many, many issues, on this one she is right. Senator MCCAIN is right. We better get about the business of allowing this bill to go forward.

I am saddened when I see the continued call for more and more money being spent. And to suggest somehow that you need to spend more, as this headline says, ''Gingrich Calls For More Not Less Campaign Cash,'' because he has to take on the Atlanta Constitution, is going to be met I think with the kind of derision that it ought to be. No one buys that argument. Not a single person in this country will buy that argument.

And so I hope that our colleagues will support what Senator KERREY and I have done over the last several days. Get behind the McCain-Feingold bill. Senator SIMPSON has done so. Our colleagues as well, several, have offered this. Senator NUNN and Senator SIMON on our side over here have been supportive of it. I believe it is on the right track.

Again, it is not going to be perfect in every detail, but certainly it is the only way that I can see in the short run we are going to get anything done on this.

Believe me when I tell you that Senator KERREY and I have certainly been challenged in our own party for cosponsoring this bill. This was not met with wild applause by everybody who wears the label of Democrat.

And so do not misunderstand us here today. This is not something that is greeted with great applause in every quarter. But we happen to believe as the leaders of our respective groups, as chairman of the Democratic Senatorial Campaign Committee and chairman of the Democratic National Party, this is truly in the national interest. It is truly in the national interest to put a stop to what I would, I think, appropriately call the obscene amount of money being spent in American politics. It is turning people off by the day in this country. They are sick of it. They want it to stop. They want choices that they can make when they go to the polls, and they see the amount of money being spent is a real detriment in that effort. So we urge the leadership to allow the bill to come to the floor for a vote.

Mr. KERREY. Mr. President, one last comment and I will yield the floor. I see the Senator from Pennsylvania is here. He and I just had a couple of minutes of conversation on this subject.

Polls are very popular methods of trying to determine the attitudes and views of the American people or some segment of the American people, and sometimes those polls are encouraging and sometimes those polls are discouraging. One of the most, if not the most, discouraging polls that I have ever read was a poll that asked the American people who has the most power in Washington, DC, the President of the United States, the Congress, the special interests?

I understand that the special interests can mean one thing to one person and another to another. I can be a good special interest and a bad special interest. But by a margin of 3 to 1 the American people believe that the special interests have more power than a Member of Congress does or than even the President of the United States.

That is a very disturbing fact. We all know that perception becomes reality. If that is the belief of the American people, that means they would say we do not have any opportunity. If we want to change a law, if there is something that we would like to influence in Washington, DC, we would like to bring in an idea and have it become incorporated into a piece of legislation, we just do not think we have a fighting chance.

We have to change that perception.

I believe, among other things, campaign finance reform can be a means to that end. There may be other things that people have on the list, but I would put that very high—indeed, I would put that at the top of my list in the ways to change the law so we can begin to change that perception, so the American citizens out there can say, as, for example, Sarah Brady did, we can change the law. It may not be a popular change, maybe it will produce a lot of heartache where people will have to take a position on legislation we want to change, but we want to fight to change the law.

We have to change the perception that people have that there is no opportunity for them to come to Washington, DC, and change the law of the land. If we are able to do that, not only will we get increased participation at the day of the election, we will get increased participation all year long from citizens who feel this really is a government of, by, and for the people.

Mr. President, I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

Mr. President, I believe that campaign finance reform is long overdue. I have just had a conversation with the distinguished Senator from Connecticut—if I could have the attention of the Senator from Connecticut—and one of the real problems in the electoral process involves the soft money, where, on both sides of the political spectrum, Republicans and Democrats have sought enormous sums of money with the $100,000 contribution being made which is totally outside the system.

I have just talked to Senator DODD about that. And I am glad to know his acquiescence on the issue of eliminating the soft money, because you can have all the limitations you like in many other respects, but if that soft money is available, it is all for naught. So I thank my colleague from Connecticut.

Mr. DODD. If my colleague would yield.

The bill does do that. And I think there is value in that. I neglected to say to my colleague in our private conversation that I think you might be able to make a case, for instance, in the area of local—not national—but local, statewide elections, and so forth, where you want to promote a certain activity, that you might find a way to have some exceptions and caveats.

In the underlying point, I think the Senator from Pennsylvania is correct, but I can also see where some modifications in that might meet the concerns of the Senator from Pennsylvania and my concerns, what he properly describes as the proliferation of this kind of resource that comes into our national coffers, in a way to promote, I think, sound, intelligent, and worthwhile political activity at the grassroots level.

Mr. SPECTER. If I may pursue that discussion for one more moment with the Senator from Connecticut.

I get concerned when you say caveat. What kind does the Senator have in mind?

Mr. DODD. I do not have one in mind. I think, like the Senator from Nebraska said, this 60-percent requirement, that the funds be 60 percent from your State, that might be fine in California, Pennsylvania, even Connecticut, but in some other States you may want to have some flexibility in that, small States that do not have that kind of population. You may want to modify that.

That is what I mean by some of the provisions here. I support this bill. I am a cosponsor of it. I think that speaks volumes about where we stand. I am willing to consider ways in which we can accommodate some legitimate questions being raised.

But my view is it is better to get behind a bill you fundamentally support so we have some possibility of reform, than to not support the bill at all. If I had as my standard here that I disagreed with a couple of points here and believed that there needed to be some modifications before I could support it, we would never get anything done in this area. In all the years I have supported campaign finance reform, that is what has happened here. The Democrats offer a bill, the Republicans offer a bill, and nothing ever gets done. We both go out and issue our press releases saying how much we are for campaign finance reform.

What the Senator from Nebraska and I have decided to do here backs our colleague—here is a colleague from the other side of the aisle who cares deeply about the issue, with two Members of the House, both of the Republican Party, Congressman SMITH and Congressman SHAYS, along with some Democrats, who offer a proposal. Because there are a number of Republicans and Democrats who endorse the McCain bill, we thought maybe, just maybe, we might be able to get beyond what has been the traditional response, Mr. President, to the historic way we have dealt with this issue, and that is a couple of bills and the press releases go out.

I am not going to endorse every aspect of this bill. I would not expect everyone else to. In the soft money area, my general view is we ought to get out of it. You may make some exceptions on the local level or State level. That may have some value. But I still believe honestly we ought to get behind this bill and get something on the floor that would change the way we run our campaigns in this country.

INTERNATIONAL TRIBUNAL ON WAR CRIMES

Mr. SPECTER. Mr. President, I have sought recognition today to lend my support to a request made by the prosecutor on the International War Crimes tribunal on the Bosnian situation, where the International tribunal on War Crimes in Bosnia has formally asked the United States to make the surrender of the indicted suspects a condition for any peace accord.

As we know, right now in Dayton there are negotiations underway to try to resolve the Bosnian conflict. But indictments have already been issued for Gen. Ratko Mladic, the Bosnian Serb military commander, and Radovan Karadzic, the Bosnian Serb leader, on indictments which specify their leadership role in the ethnic cleansing and reported massacres and organized rapes that marked the first months of the Bosnian war.

The tribunal prosecutor, the distinguished lawyer Richard J. Goldstone, has been pursuing these matters with real diligence, and it poses a real test for the international community. Part of the test arises because the President of Serbia, President Slobodan Milosevic, is involved in these negotiations. He was identified some time ago by the then-Secretary of State, Lawrence Eagleburger, as having been involved possibly in international war crimes in connection with the Bosnian Serbs' ethnic cleansing in the early months of that campaign.

I am pleased to note that ranking Clinton administration officials have committed that there will be no amnesty granted, but I think it is very important as a matter of international law that these prosecutions go forward and the United States cooperate with these prosecutions.

For more than a decade, Mr. President, I have urged the formation of an international criminal court to deal with crimes such as hostage taking, terrorism, and drug dealing where we find that there are people in custody who they will not extradite to the United States; for example, in Colombia where there are drug leaders and drug criminals who ought to be brought to trial, but because of domestic politics in Colombia, they are not willing to extradite them to the United States. If there were an international criminal court, then I do believe there would be a tribunal set up where the political disadvantage of extraditing, say, to the United States would not be present.

And I note today, Mr. President, that there are ceremonies marking the tragedy of Pan Am 103, where indictments have been issued for two Libyans implicated in the tragedy of Pan Am 103, and the intransigence of the Libyan

Government and their leader, Mu'ammar Qadhafi, who is refusing to allow those suspects to be tried in the United States or in Scottish or in British courts.

Were we to have an international criminal court, there is at least a chance that those individuals would be extradited to be tried in an international criminal court. Perhaps if such a court were in existence, Qadhafi would find another reason for declining to allow that trial to take place, but at least it would provide a possible alternative for such a trial.

The rule of law is indispensable, Mr. President, in a civilized society. We have benefited enormously in those countries which do have the rule of law. It is a high priority in the United States, obviously, with our constitutional rights.

We should have established an international criminal court a long time ago. It has been on the horizon. It has received favorable comment from the U.S. Senate and from the House on sense-of-the-Congress resolutions. But we ought to be moving to really put it into effect. With the Bosnian war crimes tribunal, we have a chance to advance the rule of law internationally. So I do hope that we will see to it that the request made by the international tribunal on war crimes to have the surrender of these indicted suspects be made as a condition to any peace accord that will take place.

I yield the floor.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair recognizes the Senator from Wyoming.

EXTENSION OF MORNING BUSINESS

Mr. SIMPSON. What is the parliamentary situation, Mr. President?

The PRESIDING OFFICER. The Chair advises the Senator from Wyoming that morning business was to have closed at 1 o'clock, although the Senator would have an option to extend it.

Mr. SIMPSON. Mr. President, I do not like to do that, and do not do it often at all; however, I will do so.

I ask unanimous consent that I may be allowed an additional 35 minutes.

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

Mr. SIMPSON. I thank the Chair because I know full well that it is the staff that needs the recess as much as we do. I cannot tell you how much we appreciate what they do for us, especially when we have had a week where there were 39 rollcall votes one day and some 20 the next or the day before, everybody back behind these halls that we do not see, the reporters—I never like to take advantage of that. But I have an important measure, Mr. President.

(The remarks of Mr. SIMPSON and Mrs. FEINSTEIN pertaining to the introduction of S. 1394 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

POLITICAL ACTIVITIES OF SECRETARY OF VETERANS AFFAIRS, JESSE BROWN

Mr. SIMPSON. Let me just now refer briefly to my work on the Senate Veterans' Affairs Committee. I chaired that committee.

Mr. President, each and every day the Secretary of Veterans Affairs apparently greets his employees with a memo on their computer. Usually that memo recognizes the accomplishments of individual employees, notes the significance of a particular date in terms of this country's military history, or exhorts VA employees to a higher level of service to America's veterans. Nothing at all wrong with that.

But, on August 21, the Secretary took a leap beyond that boundary. In that day's message, he launched into his old stump speech about the woeful VA budget. About the same time, he also communicated with all VA employees by means of a similar message printed on their own personal pay stub.

I ask unanimous consent that these messages be printed in the RECORD.

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

MESSAGE FROM SECRETARY JESSE BROWN PRINTED ON A RECENT VA EMPLOYEE PAY VOUCHER

The Administration and the Congress have outlined dramatically different budget approaches designed to balance the budget, reduce taxes, and create a leaner government. As I have been telling the nation's veterans organizations this summer, the Administration's plan is much better for veterans and their families. The President recommended a good FY 1996 VA budget, with a $1.3 billion increase, including nearly $1 billion for health care. On the other hand, the House of Representatives has approved a plan to increase veterans health care $563 million by taking money from our construction account and preventing us from building badly needed hospitals in Florida and California, hospitals which the President proposed be fully funded. And we will lose some of the money we need to renovate older facilities. The House also voted to stop compensation to some incompetent veterans. This is nothing but a means test that will push some service-connected veterans into poverty. We hear a lot these days about making sacrifices. We need to point out that veterans and their families have already paid their dues.

SECRETARY BROWN'S MESSAGE SENT AUGUST 21, 1995

This is what our veterans' budget future boils down to: the President has proposed a 10-year plan to eliminate the deficit, while protecting critical programs. He has proposed no new cuts in veterans entitlements. Congress has adopted a budget resolution outlining a 7-year plan to eliminate the deficit, which would be devastating to veterans' programs. The President has recommended a $1.3 billion increase in VA's FY96 budget, nearly a billion of which is targeted to veterans' health care. The congressional budget resolution effectively freezes VA funding for veterans' health care at 1995 dollar levels for the next 7 years. This means eliminating 61,000 health care positions by 2002 and denying care to more than a million veterans. The House budget would also cancel plans for two badly needed VA replacement hospitals in central Florida and northern California. When it comes to meeting veterans' needs, gratitude and penny-pinching don't mix.

SECRETARY BROWN'S DAILY MESSAGE ON OCTOBER 6, 1995

I am being attacked publicly for telling you through various forums what is going on with our budget. Rest assured I do not intend to stop. I believe VA employees had a right to know about the public and Congressional debate on VA's future and the impact our lawmakers' decisions can have on benefits and services for veterans. Is this a partisan endeavor? Absolutely not! As Secretary of Veterans Affairs, I have a responsibility to keep you informed on issues that affect your careers, livelihood an roles as members of the VA team. And certainly I have the right to let our valued constituency—veterans and their families—know that their programs may be adversely affected. It is important that employees be made fully aware that tens of thousands of VA jobs may be eliminated over the next seven years as a result of current budget proposals. I am not calling on you to act, but I think you have the right to know the facts. Stay tuned!

Mr. SIMPSON. Mr. President, these messages, and their distribution to all VA employees, are highly political, and seem to me to be wholly inappropriate.

They all state a biased, partisan perspective of the Department's budget and its implications. This is a perspective with which I wholeheartedly disagree.

Nothing new in that either. Reasonable men can disagree.

However, my disagreement regarding the effects of the Congressional budget for veterans' programs is fully supported by a General Accounting Office [GAO] analysis of the budget conducted for the Chairman of the House Veterans Affairs Committee.

GAO documented that, on the merits themselves, Secretary Brown's criticisms of the VA budget which was approved by the Congress are indeed ''exaggerated.''

GAO also points out that if Secretary Brown were to analyze the President's budget using the same assumptions he used when he analyzed the budget approved by the Congress, he would find that veterans are better off under the Congressional budget—than under the President who appointed him.

In short, Mr. President, veterans should not be misled. Veterans are better off under the budget that Secretary Brown is attacking than they are under the President's budget he is defending.

Please hear that clearly. The VA knows this. The Secretary knows this.

Secretary Brown complains that the Congress will force him to close hospitals. What he doesn't tell us, and what he doesn't tell the VA employees who are pretty much compelled to read his daily ration of propaganda, is that, using the very same pessimistic assumptions, the President's own budget would require him to close 6 additional hospitals than he would have to close

under the Republican Congressional budget. Hear that too.

Secretary Brown then uses—rather misuses—the power of his fine office to scare the wits out of VA employees, and the veterans they serve, by asserting that the Congressional budget would ''force'' VA to treat fewer veterans.

What he does not tell them is that under his budget, using these very same pessimistic assumptions, again VA would provide 283,000 fewer outpatient visits—and treat 12,500 fewer veterans—than VA would be treating under the very Congressional budget he is attacking. Hear that.

In short, Mr. President, the Secretary of Veterans Affairs is playing plenty fast and loose with the facts in order to divert attention away from the tough and necessary budget decisions made by our President. He is our President. I find that offensive.

That is cheap politics and demeans his office. But, it is certainly not unheard of in this town.

What is absolutely unacceptable is his use of taxpayer funded VA resources to place his purely political message in the hands of every VA employee—and on the screen of every single VA computer when it is cranked up every morning.

What is absolutely unacceptable is his use of the full authority of his office, and the latent power of his supervisory position over VA's 240,000 employees, to add to the weight of his opinions. Stump speeches are for out on the road Mr. Secretary, not for the taxpayers' computers.

Mr. President, Secretary Brown has stepped right up to the plate of public service and there are now two strikes in the count.

Strike one is found right there in Secretary Brown's message.

It is distorted and it is wrong. And the distortions serve a clear political purpose. The distortions serve to create the impression that this Republican Congress is hell bent on—and is—harming our veterans.

Strike two is found in Secretary Brown's delivery.

He piously then states that he is not trying to provoke any action on the part of VA employees. He is not ''calling on you to act'' he says, in the computer.

No, not much. He is only keeping his loyal employees informed of what is happening in Washington. But let us just think about that a moment, Mr. President. These messages are on employee pay slips. What do you think the average worker in America would think if their pay slip included a message from their boss attacking the Congress?

I do not know about others, Mr. President, but it does not take a rocket scientist to figure out that many employees might take that as a pretty good hint to take some action or at least say something to somebody. Come on.

If it talks, walks and quacks like a duck, it is probably a duck. And Secretary Brown's belated attempt to put some latter invented public service label on his inappropriate lobbying cannot pluck the feathers from the manipulative and political duck he has hatched out.

Why do we think Secretary Brown is keeping in such close touch with his myriad empire of employees—240,000 of them to be exact? Just being a genial communicator of the morning hour? Maybe like Don Imus? Give us a break.

I have been here now for 17 years and I have never seen a VA Administrator or Secretary—Democrat or Republican—misuse VA's internal communications methods in this blatant fashion.

It is wrong.

It should stop.

The World Series is over, Mr. Secretary, and you already have these two big strikes against you. But you should put down your big bat, reflect a bit, cease abusing your fine office in this fashion and step up to the plate one more time.

And this time, Mr. Secretary, do not resort to unfortunate distortion and childish scare tactics in a desperate attempt to enlist America's fine veterans to be used—and that is the word—''used'' as point men to try to turn back a historic effort to protect the future of the next generation by balancing the budget of those living in this one.

When you do that, you dishonor yourself and you dishonor the veterans you profess to serve. And many of them do not believe you any more. That is sad.

Mr. Secretary, finally, those of us who are veterans served to protect the future of our country. I am very proud to have been one. We served to provide for a better future for our children and grandchildren. The budget you take pleasure in attacking is an honest and forthright budget that keeps faith with America's veterans by keeping faith with America's future.

If a balanced Federal budget is to be defeated by the ugly forces of reaction and fear, then all that America's veterans fought to achieve will also be lost.

If this very stirring movement for a truly balanced Federal budget is turned aside, whether or not you agree with it, then all the sacrifices of the servicemembers who died or were wounded in the service of our country will have been in vain. It sounds dramatic, does it not? No more dramatic than the words the Secretary uses in his standard stump speech.

If we fail to balance this Federal budget, the inevitable collapse of the American economy will destroy the future that we American veterans wanted to ensure.

This inevitable collapse of the American economy will also destroy the ability of our country to be able to fund the benefits upon which many veterans depend.

So, Mr. Secretary, when you face that third pitch, there is a message that you can share with America's veterans on the taxpayer's computers linking up with the 240,000 VA employees who are committed to serve them.

You can tell them about the strength of America's commitment to her veterans and the willingness of the Congress—Democratic and Republican alike—to reinforce that commitment with hard bucks.

During my own time here in the Senate, I have watched the budget of the Department of Veterans Affairs nearly double—from $20 billion in 1978 to nearly $40 billion now.

And that growth will only continue. Indeed, even under the rigorous budget constraints applicable to us today, the VA budget is anticipated to increase by nearly $4 billion more under these evil Republicans by the year 2002.

And the growth in the VA health care budget has been real growth. We are not just ''keeping up'' with inflation. In the time I have been in the Senate, the number of VA physicians has increased by 9.6 percent.

The number of VA Registered Nurses has increased by 40 percent.

The total Veterans Health Administration staff has increased by 10.8 percent. These are real increases in the real numbers of real health care professionals who provide real increased services to real veterans. Forget the other hokum the Secretary puts out in the old stump speech and remember we are talking about real, real things.

In contrast to the proposed Congressional, that is Republican budget, which protects VA health care spending to the fullest, the President's budget proposes a reduction in the veterans' health care account. Hear that.

The Secretary knows that too. And it irritates him greatly because he knows the President is on mighty thin ground with many veterans anyway.

The budget the President has sent to the Congress would actually reduce VA health care spending from $16.2 billion in 1995 down to $15.4 billion at the turn of the century. The Secretary knows that.

Secretary Brown is caught complaining about a budget with no reductions while at the same time ignoring his own President's budget which would provide $337 million less bucks than the Congressionally approved budget he is continuously and hysterically attacking.

I have said to Secretary Brown in the past: ''Every man is entitled to his own opinion—but not to his own facts.'' These are the cold hard unrefuted facts.

This Nation has been absolutely unstinting in its support of her veterans over the years. No Nation on earth has been more generous to her veterans. Why is it this Secretary never acknowledges that? He should.

Our own Senate Appropriations Subcommittee on VA, HUD and Independent Agencies, so ably chaired by my old

friend Senator KIT BOND, recently reported out an extremely generous budget for veterans—to include a $285 million increase over fiscal year 1995 for veterans' health care.

Items eliminated from the budget, as originally requested in it, include hospitals in East Central Florida and Travis Air Force Base, CA.

In a consensus document expressing the views and estimates on the administration's budget proposal, the Senate Veterans' Affairs Committee expressed its own reservations about the need for this additional construction of infrastructure at a time when the veteran population is declining at a rate of 2 percent per year. The GAO recently reported to Congress that with the veteran population declining—even in Florida—there is no documented need whatever for another VA hospital there. We take awfully good care of our veterans. We should—those who bore the battle and their widows and orphans.

So let it be recorded that I personally was incensed, as I know some VA employees were, to see the partisan political message the Secretary sent out to his troops on August 21. I consider it grossly wrong to use employee's pay vouchers or access to the VA computer system to circulate that type of hoorah.

Secretary Brown may—and I think often does—perceive his mission to be a purely political one, to toe the line for this President. But he steps over that line when he uses his access to, and his control over, the taxpayer provided resources of the Department of Veterans Affairs as a means to preach a political message to his civil service subordinates. It is wrong and he knows it is wrong.

Mr. President, Secretary Brown owes it to the veterans he serves, to the Congress, and to the Department he leads, to change his course away from a path of politicized, distorted and exaggerated rhetoric on the stump speeches and toward a course of statesmanlike and steady leadership.

Mr. Secretary, you are now headed toward treacherous shoal waters and it is long over due time for a change in course. Many of us will be watching more closely than ever before.

Save the politics for when you no longer serve in this type of position of trust.

I thank the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from California is recognized.

Mrs. FEINSTEIN. I thank the Chair.

(The remarks of Mrs. FEINSTEIN pertaining to the introduction of S. 1389 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. FEINSTEIN. Mr. 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. BROWN. 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. BROWN. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for 3 minutes.

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

TRIBUTE TO ROLAND L. "SONNY" MAPELLI

Mr. BROWN. Mr. President, last month, the University of Denver College of Law opened the Mapelli Brothers' Place in the Yegge Student Center. Mapellis' Place recognizes the wonderful contribution the Mapelli family has made to Colorado and Denver University. It was in commemoration of the Mapelli family who has given so much to the State of Colorado, and particularly to Denver University. It also commemorates the fact that a number of years ago, in the World War II era, the Denver University Law School used to be adjacent to the Mapelli Meat Market. A generation of Colorado attorneys took their legal education within the sight and the sound, and even the smell, of that meat market. Perhaps it even influenced those attorneys throughout their career.

The Mapelli family is typical, I think, of American families who have contributed so much to this Nation. The Mapellis started their meat market in 1906 and, one by one, the brothers were drawn over from Italy coming to this country, some as small children, literally coming on a boat with a name and a location pinned on their clothes, and they would eventually find their way to Denver, CO.

Their story is a story of success for hard workers. To me, the Mapelli Law School will also be a reminder of Sonny Mapelli. He is someone I worked for for many years, and his example of love and devotion to community serves as an example for all Coloradans and, yea, even Americans, for what someone can accomplish when they love their country and love their community and make a project of serving it.

The Mapelli meat market used to be adjacent the Denver University College of Law when it was located in downtown Denver. A generation of attorneys received their legal education within the sound, sight, and smell of the Mapelli meat market.

To me, the Mapelli Place will always call to mind Roland L. "Sonny" Mapelli. Sonny passed away on January 19, 1995, but the memory of his warmth and wisdom will stay with all who knew him.

Sonny and his brother, Gene, were owners-operators of Mapelli Brothers Co. which was founded by their father and his brothers in 1906. In 1969 Mapelli Brothers Co. merged into Monfort of Colorado. Under Sonny's direction, 50 Mapelli Food Distributing Co. branches were operated throughout the United States. Sonny was also owner-operator of Mapelli Farms & Ranches.

Sonny was a faithful and devoted husband and father. He was devoted to his faith and believed in serving his community, State, and Nation. Sonny also served on several boards ranging from Loretto Heights College in Denver to Colorado State University Land Council in Ft. Collins and Norwest Bank in Greeley. He was a member of the Colorado Cattle Feeder's Association, Mountain/Plains Meat Association, and the National Cattlemen's Association.

Sonny received numerous awards. He received the Knute Rockne Award for outstanding civic achievement in 1961 as well as Who's Who in Finance and Industry in 1984. He was honored by the Colorado Meat Dealers as Man of the Year in 1975; by the Longs Peak Council, Boys Scouts of America as Weld Distinguished Citizen of 1994, along with many other distinguished awards.

Sonny had a distinguished military career. He enlisted in the U.S. Air Force in August 1942. He subsequently served 3 years overseas with the 8th Air Force, serving in the European Theater in Normandy, Northern France, and the Rhineland campaigns. Sonny was commissioned a warrant officer in London, England, in 1944. He received a Commendation for Outstanding Achievements from the 8th Air Force commanding general. He was commissioned as a second lieutenant in 1945 and remained in the U.S. Air Force Reserve until 1955.

You could not see Sonny and not come away with a smile on your face. Colorado voters loved him and elected him to the Denver City Council from 1955 to 1959. He was appointed to the State House of Representatives for 1961–62 and won election to the State Senate in 1962 by the largest margin of anyone in Denver.

Sonny's remarkable success in business and politics came from his genuine concern about others and a wonderful sense of humor. All who came in contact with him felt a little better about themselves and the world.

Everyone has their favorite Sonny story. They reflected his common sense, his love of others, and an extraordinarily humorous view of the world. When you write out his stories, though, they lose something. It was not so much the story itself that was funny, but Sonny Mapelli himself. Without him those stories and perhaps our lives lack some of the sparkle that makes life a joy.

Sonny Mapelli is survived by his wife Nomie, and daughters Terri DeMoney and Jerri Gustafson; by his grandchildren Travis, Tyler, and Lindsey DeMoney, and Drew and Karly Gustafson; and by his brother, Eugene Mapelli.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

HAPPY BIRTHDAY TO MOE BILLER

Mr. DASCHLE. Mr. President, today I want to extend warmest 80th birthday wishes to a stalwart of the trade union movement—Moe Biller, president of the American Postal Workers Union. Moe was born November 5, 1915, in New York City, where he graduated with honors from Seward Park High School. After attending City College of New York, he served in the Army's Adjutant General Corps from 1943 to 1945.

He began his professional career as a postal clerk in New York City in 1937. After returning from the service, Moe recognized the strength and importance of the union. He became active in the New York area, where he was elected to many union positions of trust and leadership. At various times, he has held virtually all leadership positions within his own union, and has been elected to the executive council of the AFL–CIO, the organization's policy-setting body. He is also executive vice president of the AFL–CIO Public Employee Department.

In the military, the highest accolade that can be given to a commanding officer is that he was a soldier's general. For his leadership, Moe Biller has been known as a member's leader.

In New York's sometimes tumultuous labor history, Moe never let his members down; and, in turn, they have always given him their confidence and support. He has not failed them at the bargaining table, and he has never been afraid to lead. He has always been a strong, effective, powerful voice for working men and women. It was not always easy. Recognizing the winds of change, Moe was a key player in the committee that brought the merger of five predecessor unions into what is now the APWU.

Beyond dealing with employers, Moe Biller has also served the interests of his members in the society at large and worked to extend the reach of the union to those who were sometimes excluded. He has been active in many outreach organizations, especially Cornell University's Trade Union Women Studies Program and the A. Philip Randolph Institute.

Moe has also gone beyond the union movement to serve others. Among the numerous charitable organizations to which he has contributed his considerable talents are the Leukemia Society of America, the Muscular Dystrophy Association, United Way International, and the Combined Federal Campaign.

As we wish Moe, his sons Michael and Steven and his wife Colee and daughter Aleesa our best on his 80th birthday, we should all remember he always went the extra mile for his members, his union, and his country. Happy birthday, Moe Biller.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, as of the close of business yesterday, November 2, the Federal debt stood at $4,982,592,325,829.97. We are still about $27 billion away from the $5 trillion mark, unfortunately, we anticipate hitting this mark sometime later this year or early next year.

On a per capita basis, every man, woman, and child in America owes $18,914.00 as his or her share of that debt.

NOTE

In the RECORD of October 26, beginning on page S15773, the statement of Mr. JEFFORDS was improperly printed. The permanent RECORD will be corrected to reflect the following version.

Mr. JEFFORDS. Mr. President, let me briefly remind everybody that a while back, when we were dealing with the budget resolution, 67 of us voted not to cut more than $4 billion out of higher education. This amendment would bring this level closer to where we in the Senate voted earlier this year to be—a $5 billion cut from the $10.8 billion. I remind my colleagues of that. I hate to see anybody be inconsistent with their voting, and since 67 voted for something a little more draconian than this, I hope Senators will stay with us on this amendment.

Our amendment restores the 6-month grace period, eliminates the .85 percent institution fee, and lowers the interest rate on PLUS loans, reducing the Labor Committee's instruction from $10.85 billion over 7 years to $5 billion.

Let me lay aside the issue of reducing education cuts for one quick moment and explain why this amendment is so important. As I mentioned just a few moments ago, the amendment offered by my Democratic colleagues restores direct lending to current law—or a transition to 100 percent. I simply cannot support such a provision. I have always been a supporter of testing the direct lending program and am on record as opposing the Labor Committee's bill to limit it to 20 percent. Twenty percent in my view is too small, it cuts out schools that currently participate in the program, and that to me is wrong.

However, as I stated during debate of the 1993 reconciliation, I believe in a slow, implementation of direct lending. It should be undertaken thoughtfully and carefully. The amendment offered by my Democratic colleagues is tantamount to a phase-in of direct lending. A phase-in suggests something very different than a thoughtful analysis of the two programs. My fear is that we have already made the decision to go full force without really looking at the advisability of such a move. It is like saying ''ready, fire—and then aim''. For this reason I support a firm cap on direct lending. That cap, in my mind should be set at a point which protects the schools that are current participants and allows some room for growth. I suggest that number be set between 30–40 percent.

Mr. President, that is not the amendment we are currently considering. I offered that suggestion to my colleagues as a bipartisan approach. Unfortunately, that amendment coupled with billions of dollars in additional student aid, was rejected by the Democrats and interestingly also by groups purporting to represent higher education. In particular the American Council on Education.

There is agreement that we must balance the budget and do so in a way that protects students, parents, and institutions. That is what this amendment does. It strikes the .85 percent institution fee, restores the 6-month grace period, and eliminates the increase in the PLUS interest rate. Support for this amendment will provide important savings to these students, their parents, and institutions of higher learning.

Eliminating the interest subsidy during the 6-month grace period could increase the debt of an undergraduate who borrows the maximum $23,000 by almost $1,000, resulting in additional payments of nearly $1,400 over the life of the loan. For a graduate student who borrows the maximum $65,500, the result would be $2,700 in additional debt and almost $4,000 in additional payments. Raising the interest rate and the interest rate cap on PLUS loans would increase the total payments of parents who borrow $20,000 for their children's education by $1,300.

It simply does not pay to cut education.

Consider the following: More highly educated workers not only earn more, but they work and pay taxes longer than less educated workers. According to a recent study, between 1973 and 1993, median family income dropped by over 20 percent for families headed by a person with a high school diploma or less; but it held steady for those families headed by someone with 4 years of college; and increased for families head by someone with 5 years of college or more.

We need to encourage our young people to pursue higher education both to keep us competitive and to help balance the budget. Unfortunately, the opportunity for individuals to go on to postsecondary education is getting slimmer and slimmer. Pell grant awards have not kept pace with college costs. Students have had to increase borrowing in order to make up the difference. In 1985–86, the actual maximum Pell grant of $2,100 paid 58 percent of the total annual cost of attendance for a 4-year public institution ($3,637). In 1993–94, the maximum Pell grant of $2,300 paid only 36 percent of the total cost ($6,454).

Because Federal grant programs have grown much more slowly than the cost

of attending college, loans now (1994–95) account for 56 percent of all student aid, up from 49 percent in 1985–96.

Borrowing has skyrocketed in recent years to such an extent that the amount borrowed through the FFEL program from 1990 to 1995 is greater than the total amount borrowed from its inception in 1965 through 1989.

With such statistics it is no wonder that polls show more and more students and families deciding that college is simply out of their reach. In fact, close to 20 percent of students consider leaving school because of debt. Considering the impact on our economy and the future earning potential of individuals with a postsecondary degree, this statistic is most disheartening.

So again, I urge my colleagues to support this amendment and tell the Nation that the issue of education spending is a bipartisan issue.

A TRIBUTE TO BILL MOTT

Mr. PRESSLER. Mr. President, I want to take a moment to pay tribute to Bill Mott, a South Dakotan who has become one of our Nation's truly great horse trainers. Last weekend, at Belmont Park in New York, a thoroughbred bay named Cigar won the finale of the Breeders' Cup Classics. The finale was Cigar's 12th straight track victory. With that victory, Cigar secured Horse of the Year honors, and is on track for even greater glory next year. Cigar could break the all-time record of 16 consecutive track victories, which was done by the legendary Citation, and could surpass Alysheba as horse racing's all-time money winner.

Of course, Cigar would not have achieved excellence on the track if it was not for the training excellence of Bill Mott. It was Bill who put Cigar on the path of greatness by switching the bay from grass racing to dirt. Though bred for grass, Cigar won only 1 race in 11 starts on turf. Bill's move to dirt has moved Cigar to the ranks of the unbeaten.

For Bill Mott, his success as a horse trainer is nothing less than a childhood dream come true. It was while he was in high school at Park Jefferson in South Dakota that Bill Mott began his career as a horse trainer. At the age of 16, Bill won the South Dakota Thoroughbred Futurity. After graduating high school, Bill left South Dakota to pursue his dream. Bill learned from many great trainers, including Bob Irwin, Jack Van Berg and D. Wayne Lukas. Now, young, aspiring trainers no doubt will be seeking Bill out.

Today, Bill Mott is at the peak of his profession. Bill trains more than 100 horses across the country. Bill is the best because he knows how to bring out the best in the horses he trains. His record is proof: Last year, Bill's horses won 137 races; this year, his victory total reached 140.

Bill Mott is an inspiration not just to aspiring horse trainers, but to all who set their sites to be the very best in their profession. I am sure all who know Bill Mott, especially his friends and family back home in South Dakota, are very proud of him. In fact, Bill's brother Rob, a pilot who lives in Mobridge, SD, just returned to our State after being with Bill during his latest achievements at the Breeders' Cup Classics.

One of the best parts of my job is when I can speak of the great accomplishments of South Dakotans like Bill Mott. Through hard work and determination, Bill Mott is living a dream come true. My wife, Harriet, and I wish Bill Mott continued success in the years ahead.

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.)

MEASURE PLACED ON THE CALENDAR

The following measure was read the second time and placed on the calendar:

H.R. 1833. An act to amend title 18, United States Code, to ban partial-birth abortions.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Finance, without amendment:

S. 1395. An original bill to amend the Internal Revenue Code of 1986 to provide for the establishment of an intercity passenger rail trust fund, and for other purposes (Rept. No. 104–168).

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. THOMPSON (for himself and Mr. FRIST):

S. 1388. A bill to designate the United States courthouse located at 800 Market Street in Knoxville, Tennessee, as the "Howard H. Baker, Jr. United States Courthouse"; to the Committee on Environment and Public Works.

By Mrs. FEINSTEIN:

S. 1389. A bill to reform the financing of Federal elections, and for other purposes; to the Committee on Rules and Administration.

By Mr. PRESSLER:

S. 1390. A bill to amend the Federal Water Pollution Control Act to permit a private person against whom a civil or administrative penalty is assessed to use the amount of the penalty to fund a community environmental project, and for other purposes; to the Committee on Environment and Public Works.

By Mr. PRESSLER (for himself and Mr. CAMPBELL):

S. 1391. A bill to amend the Federal Water Pollution Control Act to prohibit the impostion of any civil or administrative penalty against a unit of local government for a violation of local government for a violation of the Act when a compliance plan with respect to the violation is in effect, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BAUCUS:

S. 1392. A bill to impose temporarily a 25 percent duty on imports of certain Canadian wood and lumber products, to require the administering authority to initiate an investigation under title VII of the Tariff Act of 1930 with respect to such products, and for other purposes; to the Committee on Finance.

By Ms. MOSELEY-BRAUN (for herself and Mr. SIMON):

S. 1393. A bill to extend the deadline for commencement of construction of a hydroelectric project in the State of Illinois; to the Committee on Energy and Natural Resources.

By Mr. SIMPSON:

S. 1394. A bill to amend the Immigration and Nationality Act to reform the legal immigration of immigrants and nonimmigrants to the United States; to the Committee on the Judiciary.

By Mr. ROTH:

S. 1395. An original bill to amend the Internal Revenue Code of 1986 to provide for the establishment of an intercity passenger rail trust fund, and for other purposes; from the Committee on Finance; placed on the calendar.

By Mr. PRESSLER (for himself and Mr. EXON):

S. 1396. A bill to amend title 49, United States Code, to provide for the regulation of surface transportation; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE:

S. Res. 192. A resolution making majority appointments to the Joint Committee on the Library and the Joint Committee on Printing; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN:

S. 1389. A bill to reform the financing of Federal elections, and for other purposes; to the Committee on Rules and Administration.

THE SENATE CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1995

Mrs. FEINSTEIN. Mr. President, I rise today to address an issue of great concern and importance to me, and I believe, to the integrity of our democratic system of Government: campaign finance reform.

I supported the legislation introduced and passed by this body in 1993, and I came back to Washington in 1995

with renewed commitment to pursuing meaningful reform of our Nation's campaign finance laws.

Mr. President, I completed in November my 10th political campaign—10 of them. Three of them were very big. One was for Governor of the State of California, and two were for the U.S. Senate.

I would like to tell you what I raised in just those three campaigns: In 1990, for Governor, $19,770,062; in 1992, $8,540,222; and in 1994, $14,407,179. That totals in three campaigns $42,231,463.

Mr. President, I am a walking, talking, case exhibit for campaign spending reform. And I would like to submit that the time has come for the Senate and the House to rally to the challenge, and produce some legislation which can reduce the impact and the need for fundraising and dollars in American political national House and Senate campaigns.

I supported the legislation introduced and passed by this body in 1993. And I came back to Washington after this last campaign really with a renewed commitment. I raised $14 million. My opponent outspent me by better than 22 to 1. That should not be the case for a U.S. Senate seat, even in a State as big as the State of California.

The bill I introduce today addresses what I believe are the areas most in need of reform: curbing the astronomical amounts of money that flood campaigns today, creating a level playing field between wealthy candidates who finance their own campaigns and candidates who cannot, and honesty in campaign advertising.

Among the bill's key provisions are:

Voluntary spending limits based on voting-age population;

Provisions relating to spending from personal funds and creating a level playing-field for their opponent; and

Disclosure requirements for political advertisements.

SPENDING LIMITS

For almost 20 years now this Congress has studied and debated the issue of campaign spending reform. Last year in the Senate, we passed out a bill. It did not move forward in the House. During that time, though, spending in Senate races has increased more than 500 percent while the cost of living has roughly doubled.

The last election cycle exemplifies the absurd levels campaign spending has reached. According to the Federal Election Commission, congressional candidates in 1994 raised and spent over $724 million—the highest amount ever recorded in any election cycle in the Commission's 20-year existence.

The fundraising pressure on candidates to meet ever-growing demand is enormous. I know it firsthand. It increases with every election cycle, and it clearly discourages otherwise qualified candidates from running.

So the legislation which I put forward today is very limited and very simple. Not a lot of it is new. There are a few new twists. But it really is combining three things that were presented before that I think go to reduce spending, create that level playing field, and particularly to reduce the inordinate costs of media.

Voluntary spending limits would be based on each State's voting age population ranging from a high of $8.2 million in a State like California to a low of $1.5 million in a smaller State like Wyoming.

The rules are the same as those that were sent out by the Rules Committee in the Senate bill of last session.

In return for voluntarily controlling spending, a candidate receives a bonus. This is the carrot to go along with the voluntary limit.

In return for voluntarily controlling spending, a candidate would be entitled to receive: 30 minutes of free broadcast time, a proposal which is based on a bill Senator DOLE introduced in the 102d Congress; a 50-percent discount on television time over and above the free time, and a reduced postage rate on two pieces of mail to each voting-age resident in their State.

These latter two benefits were in the bill passed by the Senate in the last Congress.

Previous spending limit proposals have been seen as pro-incumbent measures and a barrier to challengers who have to spend more money to compete against an incumbent with high name recognition.

This bill evens the playing field a little by making critical advertising time available to challengers and incumbents alike—30 minutes of broadcast time free, and the rest at half the price.

With 30 to 40 cents of every dollar raised—sometimes well over half—going to media advertising, free media time and a 50-percent broadcast discount rate will not only reduce campaign costs but will also serve as a powerful incentive for candidates to agree to voluntary spending limits.

PERSONAL FUNDS

This legislation, which mirrors parts of the campaign finance bill introduced by the majority leader, Senator DOLE, in the last Congress, attempts to limit the ability of a wealthy candidate to buy a seat in Congress.

This is where the provisions are a little different than anything anybody has introduced prior. But let me say what they are.

Under this bill, after qualifying as a candidate for the primary, a candidate must declare if he or she intends to spend more than $250,000 of their own funds in the election. If the candidate says, Yes, I am going to spend more than $250,000 of my own money in this election, then the contribution limits on his or her opponent are raised from $1,000 to $5,000. If a candidate declares that he or she will spend more than $1 million on the race from their own pocket, then the contribution limit on his or her opponents are removed entirely.

As with my case, where somebody came forward and said, I will spend $30 million of my own—that still is disbelief to me to even say that huge amount of my own money on this race—there is no way, no matter how proven a fundraiser you are, that you can compete with that amount of money. This would enable an individual to compete because the spending limits are off of them.

I believe this requirement will minimize the advantage of enormous personal wealth in campaigns, while maximizing the opponent's time to pursue a campaign on the issues, rather than being caught in a quicksand of fundraising.

Let me speak for a moment about honesty in campaign advertising, which I really did not believe that we should deal with. I really thought that, well, campaigns are freewheeling. They are rough and tumble. I participated in very hard mayoral races, rough and tumble in San Francisco. But I never saw the degree to which negative ads permeate the campaign spectrum as I did in the last campaign.

So honesty in campaign advertising is of great interest to me. I think it is critically important to the voters who are now saying, well, a pox on both their houses, and I do not believe any of them, as we restore some level of credibility and respect to the political process. Honesty will do it. Honesty in campaign ads will go a long, long way.

One issue of great concern to me and one that, I believe, is critically important to restore some level of credibility and respect to the political process, is honesty in campaign advertising. In recent years, the amount of negative advertising and personal attacks in campaign ads has exploded. And all the experts are predicting in the next set of races that it is going to get even worse. You see it beginning to start with someone who may be a probable or possible Presidential candidate even before he gets into the race.

Campaigns that rely on unchecked character assassination—with no regard for the validity or truth of the charges—have contributed to unprecedented voter cynicism and apathy.

In the 1994 campaign, negative ads, groundless attacks on character, distorted facts dragged political advertising to this new low. In my campaign, at least two televisions stations and one radio station ran a disclaimer before my opponent's ads in an attempt to absolve their station of responsibility and liability for the content of the ads and noting that the reason they ran the ads is because they were required by law to do so.

Campaign advertising has become a virtual arms race, and in some cases is based upon a deliberate strategy of alienating voters to degrees voter turnout. The result again is this public turn-off, the cynicism, the pox on both your houses, and the enormous disaffection people feel with political leaders and the political process itself.

Most of us would like but we are limited in our ability to curtail negative

advertising because of first amendment considerations. We can hold candidates and campaign committees more responsible for what they do or we can individually just decide not to do it ourselves. I resolved not to do it myself, not to respond, and my poll numbers went like this. And when we did the focus groups, what we found was that the negatives blasted through and the positive credentials did not. People just did not believe them. They tend to believe the negatives, but they would not believe the positives. And that is a sad, sad case in American political affairs.

So what has happened—and I believe this is fairly typical across the United States—is campaign consultants are finding that the negative ads blast through and the positive ads do not, so the tendency on an increasing basis is to go to negative campaign advertising.

The provisions of my bill would set minimum standards for disclosure in print, on radio, and on television. The bill would require disclaimers in TV ads to appear for at least 4 seconds with a reasonable degree of color contrast between the background and the printed statement. It requires a clearly identifiable photograph or other image of the candidate if the ad is paid by a candidate or the candidate's committee by the candidate, and the statement at the end of the add by the candidate saying, ''This is DIANNE FEINSTEIN. I have approved the content of this ad.''

The thrust of this is to connect the responsibility between the consultant who does the ad and the candidate whose campaign runs the ad. After all, the candidate is eventually responsible.

The bill also would require sponsors of other advertisements such as independent campaigns to indicate in a statement that they are responsible for the veracity of the content of the ad.

Now, what is not contained in this bill? What is not contained in this bill is public financing of campaigns. It is my belief that the American people are not ready to accept public financing of campaigns. Tax dollars are hard fought for, and that situation is not going to get better; it is going to get worse. Therefore, even a checkoff for public financing of campaigns I think is unworthy of the priorities that we face as legislators.

So there is no direct public financing in this legislation.

Some have opposed spending limits as contrary to the Supreme Court's decision in Buckley versus Valeo which rejected mandatory limits unless they are imposed—for example, in exchange for public benefits. This bill attempts to strike a balance called for in that decision by making the spending limits voluntary and tying them to public benefits.

I supported initial campaign spending reform that would curb the influence of political action committees, and in the $14 million that I raised in the last campaign, about 16 percent was from political action committees. But I believe distinctions need to be made to protect small contributors who pool their resources, share information, and involve themselves in the process by supporting candidates or causes in which they believe.

A blanket ban on all political action committees in a sense throws the baby out with the bath water. I think we need to be encouraging people to be involved in politics, not discouraging them. And virtually every legal scholar I know who has examined this question believes that a complete ban is unconstitutional.

The Congressional Research Service has advised the Senate:

> A complete ban on contributions and expenditures by connected and nonconnected PAC's appears to be unconstitutional in violation of the first amendment.

The Supreme Court has repeatedly held that campaign contributions and expenditures are a form of political speech protected by the first amendment to the United States Constitution. While the activities of some political action committees certainly need to be scrutinized, others give the small person, the ordinary person a voice in politics. They allow many people who cannot afford to make only small contributions to band together so that their voices can be heard. For those PAC's whose practices violate the letter or intent of Federal election law, the full weight of the FEC enforcement should be brought to bear. But I do not believe we should silence the voice of small contributors in our efforts to curb the influence of big special interest PAC's.

One example is the League of Conservation Voters. The average contribution to their PAC is $40. Individually, these donors cannot take out ads supporting environmental legislation or candidates. But by pooling their resources, they can purchase an ad announcing their support. Surely this is not the type of political influence that warrants an outright ban on political action committees. Yet, other legislation being considered by this body would do just that. And that is where I split.

I was encourage when President Clinton and Speaker GINGRICH agreed to set up a bipartisan commission to study and perhaps finally act on campaign finance reform. But apparently that agreement seems to have since become bogged down with political baggage. This issue has been studied and studied and studied not only by this Congress for 20 years but by a bipartisan commission whose recommendations were made to the Congress in 1990.

I think it is time for Congress to act. And what we have tired to do in this legislation is take concepts that have stood the test of time, put them together in a limited package of three major areas where I believe there is a consensus in both political bodies and around which I think there can be forged no real opposition that is credible and worthy to taking these three steps as a first and meaningful step in campaign spending reform.

So I submit the legislation, and I welcome the discussion and the debate.

I thank the forbearance of the Chair, and I yield the floor.

Mr. President, I ask unanimous consent that the 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. 1389

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 ''Senate Campaign Spending Limit and Election Reform Act of 1995''.

SEC. 2. AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) AMENDMENT OF FECA.—When used in this Act, the term ''FECA'' means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Amendment of Campaign Act; table of contents.

TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

Sec. 101. Senate election spending limits and benefits.
Sec. 102. Transition provisions.
Sec. 103. Free broadcast time.
Sec. 104. Broadcast rates and preemption.
Sec. 105. Reduced postage rates.

TITLE II—MISCELLANEOUS PROVISIONS

Sec. 201. Candidate expenditures from personal funds.
Sec. 202. Restrictions on use of campaign funds for personal purposes.
Sec. 203. Campaign advertising amendments.
Sec. 204. Severability.
Sec. 205. Expedited review of constitutional issues.
Sec. 206. Effective date.
Sec. 207. Regulations.

TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

SEC. 101. SENATE ELECTION SPENDING LIMITS AND BENEFITS.

FECA is amended by adding at the end the following new title:

''TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

''SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

''(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

''(1) meets the primary and general election filing requirements of subsections (c) and (d);

''(2) meets the primary and runoff election expenditure limits of subsection (b);

''(3) meets the threshold contribution requirements of subsection (e); and

''(4) does not exceed the limitation on expenditures from personal funds under section 502(a).

''(b) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—

''(1) IN GENERAL.—The requirements of this subsection are met if—

''(A) the candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

''(i) 67 percent of the general election expenditure limit under section 502(b); or

''(ii) $2,750,000; and

''(B) the candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

''(2) INDEXING.—The $2,750,000 amount under paragraph (1)(A)(ii) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 1995.

''(3) INCREASE BASED ON EXPENDITURES OF OPPONENT.—The limitations under paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, that are required to be reported to the Secretary of the Senate with respect to such period under section 304(c).

''(c) PRIMARY FILING REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate files with the Secretary of the Senate a certification that—

''(A) the candidate and the candidate's authorized committees—

''(i) will meet the primary and runoff election expenditure limits of subsection (b); and

''(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

''(B) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a); and

''(C) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b).

''(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

''(d) GENERAL ELECTION FILING REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

''(A) the candidate and the candidate's authorized committees—

''(i) met the primary and runoff election expenditure limits under subsection (b); and

''(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (b), whichever is applicable, reduced by any amounts transferred to this election cycle from a preceding election cycle;

''(B) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

''(C) the candidate and the authorized committees of the candidate—

''(i) except as otherwise provided by this title, will not make expenditures that exceed the general election expenditure limit under section 502(b);

''(ii) will not accept any contributions in violation of section 315;

''(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b), reduced by any amounts transferred to this election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii);

''(iv) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission; and

''(v) will cooperate in the case of any audit and examination by the Commission; and

''(D) the candidate intends to make use of the benefits provided under section 503.

''(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than 7 days after the earlier of—

''(A) the date the candidate qualifies for the general election ballot under State law; or

''(B) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

''(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

''(A) 10 percent of the general election expenditure limit under section 502(b); or

''(B) $250,000.

''(2) DEFINITIONS.—For purposes of this subsection—

''(A) the term 'allowable contributions' means contributions that are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor; and

''(B) the term 'applicable period' means—

''(i) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on the date on which the certification under subsection (c)(2) is filed by the candidate; or

''(ii) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election.

''SEC. 502. LIMITATION ON EXPENDITURES.

''(a) LIMITATION ON USE OF PERSONAL FUNDS.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made during an election cycle by an eligible Senate candidate or such candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

''(A) 10 percent of the general election expenditure limit under subsection (b); or

''(B) $250,000.

''(2) SOURCES.—A source is described in this subsection if it is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) personal loans incurred by the candidate and members of the candidate's immediate family.

''(b) GENERAL ELECTION EXPENDITURE LIMIT.—

''(1) IN GENERAL.—Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

''(A) $5,500,000; or

''(B) the greater of—

''(i) $950,000; or

''(ii) $400,000; plus

''(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

''(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

''(2) EXCEPTION.—In the case of an eligible Senate candidate in a State that has not more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

''(A) '80 cents' for '30 cents' in subclause (I); and

''(B) '70 cents' for '25 cents' in subclause (II).

''(3) INDEXING.—The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(b)(2).

''(4) INCREASE BASED ON EXPENDITURES OF OPPONENT.—The limitations under paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, that are required to be reported to the Secretary of the Senate with respect to such period under section 304(c).

''(c) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to earnings on contributions raised.

''SEC. 503. BENEFITS ELIGIBLE CANDIDATES ENTITLED TO RECEIVE.

''An eligible Senate candidate shall be entitled to receive—

''(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

''(2) the free broadcast time provided under section 315(c) of such Act; and

''(3) the reduced postage rates provided in section 3626(e) of title 39, United States Code.

''SEC. 504. CERTIFICATION BY COMMISSION.

''(a) IN GENERAL.—Not later than 48 hours after a candidate qualifies for a general election ballot, the Commission shall certify the candidate's eligibility for free broadcast time under section 315(b)(2) of the Communications Act of 1934. The Commission shall revoke such certification if it determines a candidate fails to continue to meet the requirements of this title.

''(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final, except to the extent that they are subject to examination and audit by the Commission under section 505.

''SEC. 505. REPAYMENTS; ADDITIONAL CIVIL PENALTIES.

''(a) EXCESS PAYMENTS; REVOCATION OF STATUS.—If the Commission revokes the certification of a candidate as an eligible Senate candidate under section 504(a), the Commission shall notify the candidate, and the candidate shall pay an amount equal to the value of the benefits received under this title.

''(b) MISUSE OF BENEFITS.—If the Commission determines that any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title, the Commission shall so notify the candidate and the candidate shall pay an amount equal to the value of such benefit.''.

SEC. 102. TRANSITION PROVISIONS.

(a) EXPENDITURES MADE PRIOR TO DATE OF ENACTMENT.—(1) Expenditures made by an eligible Senate candidate on or prior to the date of enactment of this title shall not be counted against the limits specified in section 502 of FECA, as amended by section 101.

(2) For purposes of this section, the term ''expenditure'' includes any direct or indirect payment or distribution or obligation to make payment or distribution of money.

(b) RELATIONSHIP TO OTHER TITLES.—The provisions of titles I through IV of the Federal Election Campaign Act of 1971 shall remain in effect with respect to Senate election campaigns affected by this title or the amendments made by this title except to the extent that those provisions are inconsistent with this title or the amendments made by this title.

SEC. 103. FREE BROADCAST TIME.

(a) IN GENERAL.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in subsection (a)—

(A) by striking ''within the meaning of this subsection'' and inserting ''within the meaning of this subsection and subsection (c)'';

(B) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(C) by inserting immediately after subsection (b) the following new subsection:

''(c)(1) An eligible Senate candidate who has qualified for the general election ballot shall be entitled to receive a total of 30 minutes of free broadcast time from broadcasting stations within the State.

''(2) Unless a candidate elects otherwise, the broadcast time made available under this subsection shall be between 6:00 p.m. and 10:00 p.m. on any day that falls on Monday through Friday.

''(3) If—

''(A) a licensee's audience with respect to any broadcasting station is measured or rated by a recognized media rating service in more than 1 State; and

''(B) during the period beginning on the first day following the date of the last general election and ending on the date of the next general election there is an election to the United States Senate in more than 1 of such States,

the 30 minutes of broadcast time under this subsection shall be allocated equally among the States described in subparagraph (B).

''(4)(A) In the case of an election among more than 2 candidates, the broadcast time provided under paragraph (1) shall be allocated as follows:

''(i) The amount of broadcast time that shall be provided to the candidate of a minor party shall be equal to the number of minutes allocable to the State multiplied by the percentage of the number of popular votes received by the candidate of that party in the preceding general election for the Senate in the State (or if subsection (d)(4)(B) applies, the percentage determined under such subsection).

''(ii) The amount of broadcast time remaining after assignment of broadcast time to minor party candidates under clause (i) shall be allocated equally between the major party candidates.

''(B) In the case of an election where only 1 candidate qualifies to be on the general election ballot, no time shall be required to be provided by a licensee under this subsection.

''(5) The Federal Election Commission shall by regulation exempt from the requirements of this subsection—

''(A) a licensee whose signal is broadcast substantially nationwide; and

''(B) a licensee that establishes that such requirements would impose a significant economic hardship on the licensee.''; and

(2) in subsection (d), as redesignated—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

''(3) the term 'major party' means, with respect to an election for the United States Senate in a State, a political party whose candidate for the United States Senate in the preceding general election for the Senate in that State received, as a candidate of that party, 25 percent or more of the number of popular votes received by all candidates for the Senate;

''(4) the term 'minor party' means, with respect to an election for the United States Senate in a State, a political party—

''(A) whose candidate for the United States Senate in the preceding general election for the Senate in that State received 5 percent or more but less than 25 percent of the number of popular votes received by all candidates for the Senate; or

''(B) whose candidate for the United States Senate in the current general election for the Senate in that State has obtained the signatures of at least 5 percent of the State's registered voters, as determined by the chief voter registration official of the State, in support of a petition for an allocation of free broadcast time under this subsection; and

''(5) the term 'Senate election cycle' means, with respect to an election to a seat in the United States Senate, the 2-year period ending on the date of the general election for that seat.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to general elections occurring after December 31, 1995 (and the election cycles relating thereto).

SEC. 104. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking ''(b) The changes'' and inserting ''(b)(1) The changes'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) in paragraph (1)(A), as redesignated—

(A) by striking ''forty-five'' and inserting ''30''; and

(B) by striking ''lowest unit charge of the station for the same class and amount of time for the same period'' and inserting ''lowest charge of the station for the same amount of time for the same period on the same date''; and

(4) by adding at the end the following new paragraph:

''(2) In the case of an eligible Senate candidate (as described in section 501(a) of the Federal Election Campaign Act), the charges for the use of a television broadcasting station during the 30-day period and 60-day period referred to in paragraph (1)(A) shall not exceed 50 percent of the lowest charge described in paragraph (1)(A).''.

(b) PREEMPTION; ACCESS.—Section 315 of such Act (47 U.S.C. 315), as amended by section 102(a), is amended—

(1) by redesignating subsections (d) and (e) as redesignated, as subsections (e) and (f), respectively; and

(2) by inserting immediately after subsection (c) the following subsection:

''(d)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1)(A), of a broadcasting station by an eligible Senate candidate who has purchased and paid for such use pursuant to subsection (b)(2).

''(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.''.

(c) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of the Communications Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

(1) by striking ''or repeated'';

(2) by inserting ''or cable system'' after ''broadcasting station''; and

(3) by striking ''his candidacy'' and inserting ''the candidacy of such person, under the same terms, conditions, and business practices as apply to its most favored advertiser''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to the general elections occurring after December 31, 1995 (and the election cycles relating thereto).

SEC. 105. REDUCED POSTAGE RATES.

(a) IN GENERAL.—Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking ''and the National'' and inserting ''the National''; and

(ii) by inserting before the semicolon the following: '', and, subject to paragraph (3), the principal campaign committee of an eligible Senate candidate;'';

(B) in subparagraph (B), by striking ''and'' after the semicolon;

(C) in subparagraph (C), by striking the period and inserting a semicolon; and

(D) by adding after subparagraph (C) the following new subparagraphs:

''(D) the term 'principal campaign committee' has the meaning given such term in section 301 of the Federal Election Campaign Act of 1971; and

''(E) the term 'eligible Senate candidate' has the meaning given such term in section 501(a) of the Federal Election Campaign Act of 1971.''; and

(2) by adding after paragraph (2) the following new paragraph:

''(3) The rate made available under this subsection with respect to an eligible Senate candidate shall apply only to that number of pieces of mail equal to 2 times the number of individuals in the voting age population (as certified under section 315(e) of such Act) of the State.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to the general elections occurring after December 31, 1995 (and the election cycles relating thereto).

TITLE II—MISCELLANEOUS PROVISIONS

SEC. 201. CANDIDATE EXPENDITURES FROM PERSONAL FUNDS.

Section 315 of FECA (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

''(i)(1)(A) Not later than 15 days after a candidate qualifies for a primary election ballot under State law, the candidate shall file with the Commission, and each other candidate who has qualified for that ballot, a declaration stating whether the candidate intends to expend during the election cycle an amount exceeding $250,000 from—

''(i) the candidate's personal funds;

''(ii) the funds of the candidate's immediate family; and

''(iii) personal loans incurred by the candidate and the candidate's immediate family in connection with the candidate's election campaign.

''(B) The declaration required by subparagraph (A) shall be in such form and contain such information as the Commission may require by regulation.

''(2) Notwithstanding subsection (a), the limitations on contributions under subsection (a) shall be modified as provided under paragraph (3) with respect to other candidates for the same office who are not described in subparagraph (A), (B), or (C), if the candidate—

''(A) declares under paragraph (1) that the candidate intends to expend for the primary and general election funds described in such paragraph in an amount exceeding $250,000;

''(B) expends such funds in the primary and general election in an amount exceeding $250,000; or

''(C) fails to file the declaration required by paragraph (1).

''(3) For purposes of paragraph (2)—

''(A) the limitation under subsection (a)(1)(A) shall be increased to $5,000; and

''(B) if a candidate described in paragraph (2)(B) expends more than $1,000,000 of funds described in paragraph (1) in the primary and general elections the limitation under subsection (a)(1)(A) shall not apply.

''(4) If—

''(A) the modifications under paragraph (3) apply for a convention or a primary election by reason of 1 or more candidates taking (or failing to take) any action described in subparagraph (A), (B), or (C) of paragraph (2); and

''(B) such candidates are not candidates in any subsequent election in the same election campaign, including the general election,

paragraph (3) shall cease to apply to the other candidates in such campaign.

''(5) No increase described in paragraph (3) shall apply under paragraph (2) to noneligible Senate candidates in any election if eligible Senate candidates are participating in the same election campaign.

''(6) A candidate who—

''(A) declares, pursuant to paragraph (1), that the candidate does not intend to expend funds described in paragraph (1) in excess of $250,000; and

''(B) subsequently changes such declaration or expends such funds in excess of that amount,

shall file an amended declaration with the Commission and notify all other candidates for the same office not later than 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending a notice by certified mail, return receipt requested.''.

SEC. 202. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES.

(a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.—Title III of FECA (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES

''SEC. 324. (a) An individual who receives contributions as a candidate for Federal office—

''(1) shall use such contributions only for legitimate and verifiable campaign expenses; and

''(2) shall not use such contributions for any inherently personal purpose.

''(b) As used in this subsection—

''(1) the term 'campaign expenses' means expenses attributable solely to bona fide campaign purposes; and

''(2) the term 'inherently personal purpose' means a purpose that, by its nature, confers a personal benefit, including a home mortgage payment, clothing purchase, noncampaign automobile expense, country club membership, vacation, or trip of a noncampaign nature, and any other inherently personal living expense as determined under the regulations promulgated pursuant to section 302(b) of the Senate Campaign Spending Limit and Election Reform Act of 1995.''.

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Federal Election Commission shall promulgate regulations to implement subsection (a). Such regulations shall apply to all contributions possessed by an individual at the time of implementation of this section.

SEC. 203. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following new subsections:

''(c) Any printed communication described in subsection (a) shall be—

''(1) of sufficient type size to be clearly readable by the recipient of the communication;

''(2) contained in a printed box set apart from the other contents of the communication; and

''(3) consist of a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which—

''(A) states: 'I, (name of the candidate), am a candidate for (the office the candidate is seeking) and I have approved this message';

''(B) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(C) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

SEC. 204. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 205. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 206. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act.

SEC. 207. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act not later than 9 months after the effective date of this Act.

By Mr. PRESSLER:

S. 1390. A bill to amend the Federal Water Pollution Control Act to permit a private person against when a civil or administrative penalty is assessed to use the amount of the penalty to fund a community environment project, and for other purposes; to the Committee on Environment and Public Works.

THE LOCAL ENVIRONMENTAL IMPROVEMENT FACILITATION ACT

Mr. PRESSLER. Mr. President, I rise today to introduce legislation to allow companies that violate the Clean Water Act the option to invest fines in improving their local environment. This bill makes good sense. Clean Water Act fines could be invested in the community where the violation occurred, rather than sent to Washington to be spent by bureaucrats.

In May 1995, the Environmental Protection Agency began a new program to encourage local environmental projects through EPA fines. My bill would adopt as law the goals of this program—to give Clean Water Act violators the option to perform community services by targeting their fines to local pollution prevention and remediation activities.

Under my legislation, companies found guilty of violating the Clean Water Act would be given the option of contributing to a community environmental project in lieu of paying fines directly to the Treasury. Violators could negotiate with State and local officials to determine an appropriate project. The money would then be paid by the violator directly to cover project costs.

The benefits to this legislation are clear. Passage of this bill would express Congress' support for local environmental projects. In addition, this legislation represents community empowerment. It gives the local community the opportunity to right a wrong done to its citizens by one of its own. It is common sense. Clean Water Act violations inadvertently can punish the community where the violation occurred. It's only fair that when a violator is punished, the community should receive some compensation. This option certainly is preferable to sending penalty dollars back to Washington to pay for more bureaucracy.

At the State and local level, many of those who violate the law are directed to perform community service. That tradition deserves a place in our Federal system as well. The legislation I am introducing today would do just that.

Senator CHAFEE, chairman of the Environment and Public Works Committee, has stated his intent to hold hearings on efforts to reform the Clean Water Act in the near future. I look forward to working with him to make sure that fines collected under the Clean Water Act can continue to be used for the benefit of the community where violations occurred. I urge my colleagues to support this commonsense legislation.

By Mr. PRESSLER (for himself and Mr. CAMPBELL):

S. 1391. A bill to amend the Federal Water Pollution Control Act to prohibit the imposition of any civil or administrative penalty against a unit of local government for a violation of the act when a compliance plan with respect to the violation is in effect, and for other purposes; to the Committee on Environment and Public Works.

CLEAN WATER ACT PENALTIES LEGISLATION

Mr. PRESSLER. Mr. President, I am introducing legislation today to lift the unfair burden of excessive regulatory penalties from the backs of local governments that are working in good faith to comply with the Clean Water Act.

Mr. President, earlier this year we worked on legislation to bring common sense to the regulatory process. That legislation is still pending. It is my hope that we will return to that bill and pass it. Everyone from small business persons to city mayors want real relief from Federal regulatory overreach. That is the goal of my bill as well.

Under current law, civil penalties begin to accumulate the moment a local government violates the Clean Water Act. Once this happens, the law requires that the local government present a municipal compliance plan for approval by the Administrator of the Environmental Protection Agency [EPA], or the Secretary of the Army in cases of section 404 violations. However, even after a compliance plan has been approved, penalties continue to accumulate. In effect, existing law gives the EPA the authority to continue punishing local governments while they are trying to comply with the law.

When I talk with South Dakotans, few topics raise their blood pressure faster than their frustrating dealings with the Federal bureaucracy. Government is supposed to work for us, not against us. Mr. President, this is clearly a case where the Government is working against those cities and towns trying in good faith to comply with the Clean Water Act.

In South Dakota, the city of Watertown's innovative/alternative technology wastewater treatment facility was built as a joint partnership with the EPA, the city and the State of South Dakota in 1982. The plant was constructed with the understanding that EPA would provide assistance in the event the new technology failed. The facility was modified and rebuilt in 1991 when it was unable to comply with Clean Water Act discharge requirements. Unfortunately, the newly reconstructed plan still was found to violate Federal regulations. The city now faces a possible lawsuit by the Federal Government and is incurring fines of up to $25,000 per day.

The city of Watertown, under the very capable guidance of Mayor Brenda Barger, has entered into a municipal compliance plan with the EPA. Under the agreed plan, Watertown should achieve compliance by December 1996. However, that plan does not address the issue of the civil and administrative penalties that continue to accumulate against the city.

Under the law, Watertown could accumulate an additional $14 million in penalties before its treatment facility is able to comply with the Clean Water Act requirements.

Mr. President, no city in South Dakota can afford such steep penalties.

My legislation would offer relief to cities like Watertown. Under my bill, local governments would stop accumulating civil and administrative penalties once a municipal compliance plan has been negotiated and the locality is acting in good faith to carry out the plan. Further, my bill would be an incentive for governments to move quickly toward achieving compliance with the Clean Water Act.

This legislation is designed simply to address an issue of fairness. Local governments must operate with a limited pool of resources. Localities should not be forced to devote their tax revenues both to penalties and programs designed to comply with the law. It defies common sense for the EPA to penalize a local government at the same time it is working in good faith to comply with the law. My legislation restores common sense and fairness to local governments. By eliminating unfair penalties, local governments could better concentrate their resources to meet the intent of the law in protecting our water resources from pollution.

Mr. President, I hope my colleagues will join me in supporting this commonsense legislation for our towns and cities.

By Mr. BAUCUS:

S. 1392. A bill to impose temporarily a 25-percent duty on imports of certain Canadian wood and lumber products, to require the administering authority to initiate an investigation under title VII of the Tariff Act of 1930 with respect to such products, and for other purposes; to the Committee on Finance.

EMERGENCY TIMBER LEGISLATION

Mr. BAUCUS. Mr. President, I rise to introduce legislation to give our timber industry emergency relief in the face of a surge of subsidized lumber imports from Canada.

I have said before that when it comes to trade Canada does not play for the love of the game. Canada plays rough. Canada plays to win. Canada plays hardball.

You see that in fisheries, wheat, beer, intellectual property, and maybe most of all in timber. And if the game is hardball, we have to put on our helmets, pick up our bats and show that we can play too.

PROVISIONS OF LEGISLATION

That is what my bill will do. It contains three tough but fair measures:

First, temporary duty: We impose a temporary 25-percent tariff on Canadian lumber. This figure is based on the best estimates of the value of Canadian subsidies to Canadian timber exporters.

Second, countervailing duty investigation: We direct the Department of Commerce to investigate Canadian subsidization. At the end of the investigation, the temporary duty would be lifted.

If Commerce finds subsidization and damage to U.S. industry, the International Trade Commission would impose a permanent countervailing duty at a level appropriate to the damage. If the investigation were to find no subsidy, Commerce would refund the money collected under the temporary duty. Likewise, if the damage were under 25 percent, the difference would be refunded to Canada.

Third, renegotiate dispute settlement panels: We declare that no American judicial function or authority can be delegated to an international body under any trade agreement and give the President authority to renegotiate the so-called chapter 19 dispute settlement panels of the United States-Canada Free-Trade Agreement and NAFTA.

The general effect of this would be to eliminate the jurisdiction of international dispute settlement panels over our countervailing duty decisions. In the specific case of timber, it would repeal the 1992, 1993, and 1994 decisions of the United States-Canada dispute panels which have barred us from using our countervailing laws against subsidized Canadian softwood lumber exports.

Now, some will say, ''MAX, gee, that is pretty tough.'' I agree. Sometimes tough measures are necessary. That is because today we face a surge of imported timber which has depressed prices, closed mills, and put Americans out of work.

The first two sections of this legislation respond to this crisis in a reasonable, fair way. We have the right to emergency relief under our domestic laws, and all our trade agreements so provide. This is a case where we definitely need it.

The third section responds to the longer term, but equally grave problem with the decisions dispute panels have made on United States-Canada timber disputes. Again, it does so in a tough but limited way. So, yes, this is tough but it is also fair.

Now, let me explain the situation and my proposed response in more detail. We will begin with the facts and figures

on the immediate crisis, the Canadian subsidies and the import surge they have created.

Our bill deals with two forms of subsidies. The first is the extremely low stumpage fees the Canadian provinces charge for logging on their public land. Do not forget almost all the land in Canada on which timber is harvested is public land, called Crown land—the land owned by the provinces: very low stumpage; timber sale, very low, low prices.

The other subsidy is Canada's ban on all export of raw logs, which lowers the price of logs in Canada's market and gluts Canadian mills.

Some have a broader definition of subsidy. The Raincoast Conservation Society, a Canadian environment group based in Victoria, BC, says.

> * * * low stumpage rates, unsustainable rates of timber cutting, inadequate environmental controls, and the continued destruction of natural habitat constitute a massive network of public subsidies to the British Columbia timber industry.

Canada's timber practices have created an environmental disaster. British Columbia, for example, requires neither sustainable forestry; we do. Nor environmental assessments of forest practices; we do. It has minimal riparian protection; we have a lot. Allows clearcuts up to four times what is legal in the United States and requires no protection of endangered species and habitat.

Compare that with our Endangered Species Act. It gives the public virtually no role in forest management. Think of all the appeals and all the private rights of action we have in our country. If you take a boat up the coast of Washington State, you can literally see the border because Canadians have cut right down to the shore.

Our bill defines subsidies much more narrowly. All by themselves, the artificially low-stumpage rates on the ban on raw log exports have caused a trade disaster as profound as the environmental disaster in British Columbia.

Imports of Canadian lumber have risen 121 percent since 1991, from $2.56 billion to $5.65 billion last year. During this period, Canada's share of the American lumber market rose from 27 percent to 36 percent.

Mr. President, 36 percent of all the softwood timber consumed in the United States is Canadian. Last year we imported more than 16 billion board feet of timber; 3 billion board miles of softwood timber. That is enough to build a wooden bridge to the Moon 12.5 feet wide.

By comparison, we sold Canada about .3 of a billion board feet of lumber. That is a fiftieth of Canada's exports.

Canada's subsidies vastly inflate our imports of timber. We estimate that they cost American timber companies about $829 million last year and cost American workers 25,100 jobs.

This is an emergency. Every mill worker and mill operator in Montana can tell you the pressure from these subsidies is intolerable and the situation is getting worse all the time. That is the reason for part 1 of the bill, the temporary duty, and also for part 2, under which the Commerce Department will investigate Canadian timber practices and arrive at a long-term countervailing duty.

Now, let us turn to part 3. That is renegotiation of the application of the dispute settlement panels established in chapter 19 of the United States-Canada Free-Trade Agreement to our domestic countervailing duty or CVD decisions. To start, we need to review a bit of history.

During the drafting of the United States-Canada Free-Trade Agreement in the 1980's, a Canadian negotiator told the American side:

> You must understand that the Canadian people are committed to helping their industries that cannot compete. Our Constitution requires that funds be transferred to assist companies in noncompetitive locations to compete in international trade.

That is to say, in areas where free trade means a competitive United States industry will do well, Canada will subsidize its own industry to do its best to make sure that we cannot do well.

This sort of practice is, for obvious reasons, the most controversial issue we considered when the Reagan administration negotiated the United States-Canada Free-Trade Agreement in the 1980's. The Canadians, as was their right, refused to change their subsidy policies, but they also asked us to guarantee that we, Americans, would not use our countervailing duties laws against their subsidies.

Obviously, that was unacceptable. A free trade agreement which let Canada subsidize exports, while we gave up our right to combat the subsidies of domestic trade laws, would not be a free trade agreement at all. It would have been an agreement to give Canada a captive market, and we would have opposed it.

So we essentially agreed to disagree. Canada did not give up its subsidies and neither did we give up our trade laws. We agreed that the United States would continue to settle subsidy disputes through our domestic CVD laws. That is, dispute settlement panels setting up in the agreement's so-called chapter 19 would be available to Canada in these cases only to make sure that we had properly used our laws. That was the only point of that provision.

That was fine in theory. Unfortunately, at least in the timber case, it has not worked very well in practice. The past 10 years of this dispute have gone as follows.

On December 30, 1986, Canada and the United States signed, agreed to a joint memorandum of understanding on softwood lumber, under which Canada agreed to charge its timber companies a 15-percent export tax to make up for the value subsidies. Canada agreed.

In September 1991, 5 years later, Canada unilaterally abrogated this memorandum of understanding—just walked away from it, threw it in the trash bin. On October 1991, a month later, the Commerce Department opened up, as we obviously should have done, an investigation of the Canadian lumber subsidies.

In June 1992, this legislation ended with a finding that the subsidies damage the American industry. The ITC imposed countervailing duties, as is our right and is what we really should have done and did do.

Canada then challenged this finding at the dispute panels set up under chapter 19 of the United States-Canada Free-Trade Agreement. Later in 1992, and in appeal decisions in 1993 and 1994, the panels split along national lines and upheld Canada's cases. In each one, Canada had a majority of judges. There were more Canadian judges than American judges. At least two of the judges had serious conflicts of interest and one had even worked for the Canadian timber industry. In each case they all voted as a bloc to deny justice to the U.S. industry.

The last of these cases, our appeal to the Extraordinary Challenge Committee, which decided in the spring of 1994. Judge Malcolm Wilkey was the only American panelist and he describes the decision this way:

> The Panel started, of course, by giving us the litany of the standard of review of administrative agency action as enunciated in United States law, all thoroughly familiar. The Panel then preceded to violate almost every one of those canons of review of agency action * * *. This Binational Panel Majority opinion may violate more principles of appellate review of agency action than any opinion by a reviewing body I have ever read.

That is the opinion of the American panelists—the only American panelists; the rest are Canadian. As Wilkey says, ''The panel reached egregiously wrong results.'' Those are his words. It was allowed to review only whether we applied our CVD laws as the United States Code requires. That is what we were supposed to do.

Instead, the panel declared our laws should not apply at all. That is what the panel said, totally above and beyond its jurisdiction. The panel had no right to make that decision, but it made it. Under the United States-Canada Free-Trade Agreement, the panel has no right to make such decision, yet the Canadian majority went ahead and did it anyway. Worst of all, have been the concrete real results of these decisions.

Since 1993, imports of Canadian timber have skyrocketed. The price of lumber has fallen by more than a third. Mills have closed in Superior, Libby, Bonner, and elsewhere in Montana, putting hundreds of good folks out of work. The same thing has happened all over America.

Our timber workers have been cheated, cheated by the dispute panels. There is no other word for it. We need to make sure nobody else suffers the same injustice.

Since Canada refuses to a fair settlement through negotiation, I see no alternative other than to remove the cause of the trouble.

Now, these are tough measures, but if your partner is playing hard ball, you need more than a golfing cap and a whiffle bat, you need a hard plastic helmet and Louisville slugger. You need tough measures like the ones my bill will provide.

I say let us stand up, restore fairness in the timber market, let us give a hand to some workers who have suffered grave injustice. I ask support for my bill, which I think, once enacted, we can restore the playing field so it is fair and give people in our country the justice they deserve.

By Ms. MOSELEY-BRAUN (for herself and Mr. SIMON):

S. 1393. A bill to extend the deadline for commencement of construction of a hydroelectric project in the State of Illinois; to the Committee on Energy and Natural Resources.

HYDROELECTRIC PROJECT LEGISLATION

• Ms. MOSELEY-BRAUN. Mr. President, the bill I am introducing today, on behalf of myself and Senator SIMON, grants the city of Alton, IL, a 6-year extension of its Federal Energy Regulatory Commission [FERC] license to begin construction of a hydroelectric power project next to lock and dam 26R on the Mississippi River. This extension is necessary because the Alton license expired October 15, 1995.

A license to permit construction for this proposed plant was first issued by FERC to the Missouri Joint Municipal Electric Utility Commission [MJMEUC] on October 15, 1987. MJMEUC transferred the license to the city of Alton with FERC approval on April 5, 1990. At the time of the transfer, the city of Alton entered into an agreement with Sithe Energies, a developer, which was granted a licensing extension pursuant to the Federal Power Act and Public Law No. 102–240, 105 Stat. 1914, section 1075 (b) of the Intermodal Surface Transportation Efficiency Act of 1991.

Between 1990 and 1995, Sithe Energies developed plans for a hydroelectric plant. However, there were several problems with its proposal. Sithe Energies was depending on State subsidies to support the estimated $190 million cost of the plant. The Illinois General Assembly did not provide those subsidies. Further, Sithe Energies was unable to comply with several FERC license requirements. For example, Sithe was unable to meet the FERC requirement for a fish mortality study. The proposed plant could have had a substantial effect on fish and other aquatic life in the Mississippi. Finally, due to the high rate per kilowatt hour that would be required to retire the debt that would be associated with the project and provide an attractive return on investment, Sithe Energies was unable to negotiate a purchase and sale agreement for the plant's electricity.

In May 1995, Sithe Energies terminated its relationship with the city of Alton. Subsequently, the city was contacted by Bedford Energies with a new plan that happens to be more economically feasible. Bedford Energies is proposing a smaller plant, using turbines that move more slowly and which should therefore reduce the plant's impact on fish and aquatic life in the Mississippi. The cost of the project is estimated to be $110 million—much less than the Sithe Energies' project. The projected costs per kilowatt hour is approximately one-half of Sithe's estimates.

The city of Alton and the River Bend area have been hit hard by plant closings and the loss of manufacturing jobs over the past 20 years. During the 1980's, Alton alone lost nearly 4,000 jobs. Alton's per capita income is significantly below the State of Illinois' average per capita income and, since 1970, Alton's population has declined from 39,700 to 33,064 residents. Alton's unemployment rate currently exceeds 9 percent and has consistently exceeded State and national averages. One-hundred to one-hundred fifty jobs are expected to be created during the 2- or 3-year construction phase of this project, and 6 to 12 permanent power plant operator jobs will be created once the plant is operational. The royalties from power sales will provide revenue to the city for capital improvements and other needed city projects which impact employment.

Lock and dam 26R on the Mississippi was designed and constructed for a hydroelectric plant. Because of the difficulties the city experienced with Sithe Energies, there was simply no way that construction could have begun in accordance with the schedule anticipated by the current license. This FERC license extension is a reasonable proposition for the residents of Alton who are counting on this project. Mr. President, this type of license extension has precedent in previous congressional action, and it is my hope that the Congress can move this noncontroversial bill forward as soon as possible.

Mr. President, I ask unanimous consent that the 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. 1393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF COMMENCEMENT OF CONSTRUCTION DEADLINE FOR HYDROELECTRIC PROJECT IN THE STATE OF ILLINOIS.

(a) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project numbered 3246, the Commission shall, at the request of the licensee for the project, in accordance with the good faith, due diligence, and public interest requirements of that section and the Commission's procedures under that section, extend until October 15, 2001, the time period during which the licensee is required to commence construction of the project.

(b) APPLICABILITY.—Subsection (a) shall take effect on the expiration of the extension, issued by the Commission under section 13 of the Federal Power Act (16 U.S.C. 806), of the period required for commencement of construction of the project described in subsection (a).

(c) REINSTATEMENT OF EXPIRED LICENSE.—If the license for the project described in subsection (a) has expired prior to the date of enactment of this Act, the Commission shall reinstate the license effective as of the date of its expiration and extend until October 15, 2001, the time required for commencement of construction of the project.•

By Mr. SIMPSON:

S. 1394. A bill to amend the Immigration and Nationality Act to reform the legal immigration of immigrants and nonimmigrants to the United States; to the Committee on the Judiciary.

THE IMMIGRATION REFORM ACT OF 1995

Mr. SIMPSON. Mr. President, I have stood before my good colleagues so many times over the last 15 years seeking their support for reform of the immigration laws of our country. Today I do so once again, and this time the proposed change is fundamental.

The bill I am introducing today is the product of many years. It would reform the law relating to legal immigration—to reduce the level and to revise the criteria of selection. Many of the proposals are consistent with recommendations of the U.S. Commission on Immigration Reform and its very able Chairwoman, that remarkable and impressive woman, former Congresswoman Barbara Jordan. She and a bipartisan group of people put together some very important recommendations for us. The members of the Commission were appointed by the Speaker, by the Republicans, by the Democrats, by the majority leader, the minority leader. I ask unanimous consent that their names be printed in the RECORD.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

MEMBERS OF THE COMMISSION

Barbara Jordan, Chair.
Lawrence H. Fuchs, Vice Chair.
Michael S. Teitelbaum, Vice Chair.
Richard Estrada.
Harold Ezell.
Robert Charles Hill.
Warren R. Leiden.
Nelson Merced.
Bruce A. Morrison.

Mr. SIMPSON. They are wonderful, contributing members of this society.

Mr. President, there are those in this country, including some in this body, who eternally say, ''If it ain't broke, don't fix it.'' I have heard that old, tired canard too many times. They assert that the present immigration-related problems of this country relate entirely to illegal immigrants, to the failure to prevent rampant violation of immigration law—not only by the hundreds of thousands per year who cross this border illegally, but also by a perhaps equal number of persons who

enter legally on temporary visas, and then remain here even after their approved period of stay has expired.

Mr. President, illegal immigration is, indeed, a major problem, and I introduced legislation earlier this year which would greatly improve our ability to combat that. In June, that bill, S. 269, was favorably reported out of the Immigration Subcommittee, which I have the honor to chair.

Perhaps the most important element of that bill is its proposed enhancement of the employer sanction system that is so necessary if we are ever to control both forms of illegal immigration, visa overstays, as well as illegal border crossing. The employer sanction system has been left incomplete and ineffective in the years since enactment of the 1986 immigration reform bill, because expected improvements in the system that is used to verify work authorization have never been made. S. 269 would require a series of pilot programs and within 8 years a final verification system. This system would be used not only for employment but for welfare or any other form of public assistance.

The proposals for an improved verification system have been controversial. Ironically, I point out to my colleagues that anyone getting on an airplane in the United States in the last 3 weeks has been asked to present a picture ID of themselves. I have not seen much media squawk about that, or any concerned and high-emotion editorials about the ''slippery slope,'' or threats to our privacy or civil liberties. Perhaps it was partly because no Federal card was involved. Yet, even when the President held up before the joint session of Congress 2 years ago a card and said, ''This is a health care card and everyone will have one,'' not much was said about ''the card'' then—a great deal about health care but not much about ''the card.''

Maybe it was also because such actions have to do with their personal interest and their health and safety.

In any case, the system I favor would involve no ''national ID card,'' no new card of any kind—just improvements in various ID and other systems that are already in use. I refer to telephone verification of a Social Security number—a service already available to employers—plus improvements in the State driver's license or ID card, and in the birth certificate. That would be it. I honestly do not believe the American people have any reason for concern, and I honestly do not believe that they will be concerned, else we would have heard a little bit about that in these past weeks with what is happening to them at each and every airport in this country.

But, Mr. President, curbing or even stopping illegal immigration is not enough. Why do I say this? A major reason is that the American people are increasingly troubled about the impact legal immigration is having on their country. Poll after poll shows us this.

The people have made it so very clear they believe the level of immigration is too high. The people have been saying more or less the same thing for a very long time.

According to a recent article in the American Enterprise, which reviewed 11 major polls taken since 1955, well over 60 percent of the American people favor a reduction in immigration, according to most polls since 1980—and that has always included legal immigration whenever it was specifically asked about.

Yet, what do people see going on, year after year after year? They see steady increases. In 1953, 170,000 new legal immigrants. In 1963, 306,000; 1973, 400,000; 1983, 560,000; in 1993, 904,000. Thus, in these 40 years since 1953, the annual level of new immigrants has gone up fivefold, rising from 170,000 to 904,000.

The American people have become increasingly restless and dissatisfied at seeing their will ignored. Proposition 187 may be only the first of many indicators of their real displeasure.

Mr. President, there are individuals and groups who are actively and obsessively working against the efforts of those of us here and in the other body—and on the Commission on Immigration Reform—who are all doing our level best to develop and enact into law an immigration policy that will better promote the long-term best interests of this entire Nation. These individuals and groups form an unholy alliance composed of, one, those wanting to preserve the historically high current level of immigration and all aspects of current law which enable a person to bring to this country extended family members, not even part of the nuclear family—a nuclear family being spouses and minor children—joined with, two, certain employers who want to avoid paying wages high enough to attract U.S. workers, or to preserve their ''right'' to bring in the employee they really want, notwithstanding the impact on any U.S. workers.

I submit that we must break through all of this clatter. We must not allow these defenders of the status quo to deter us from the national interest-based policy the American people so deeply want—and deserve.

Now, I have recently read that one in the other body claimed that to reduce legal immigration is to ''punish legal immigrants'' for the actions of the illegals. That is surely quite an extraordinary claim. To use the word ''punish'' in this way is another fine example of rhetorical exuberance—not uncommon around this village, of course. But, still, let us try to keep at least one foot on the ground.

No one has the ''right'' to immigrate to the United States. Hear that. There are apparently hundreds of millions who would like to do so, but none of them has any ''right'' to do so. For the citizens of this country and their legislators to decide to reduce the level of legal immigration is not to ''punish'' anybody. ''Punishment'' is something imposed because of a judgment that the punished person has done ''something wrong.'' It is most usually meted out with an intent to encourage more acceptable behavior.

The issue involved in legal immigration reform is not whether individual aliens abroad, who would like to be legal immigrants—or even aliens who have already succeeded in becoming legal immigrants—have done anything ''blameworthy.'' It is simply that the annual addition of 800,000 new residents, including hundreds of thousands of new workers, has some major consequences—and some of these consequences are ones the American people simply and clearly do not want. No mystery here; no evil reasoning.

Taking it as a given that a majority of the American people believe that immigration, under current law, has consequences which are harmful to their interests, it is appropriate that they demand change. And that is exactly what they are doing: demanding change—not punishment—but change.

Mr. President, the American people are so very fed up with being told—when they want immigration laws enacted which they believe will serve their national interest and when they also want the law to be enforced—that they are being cruel and mean-spirited and racist. They are fed up with the efforts to make them feel that Americans do not have that most fundamental right of any people: to decide who will join them here and help form the future country in which they and their posterity will live.

We must not allow ourselves to be distracted by these wretched rhetorical excesses and the confused non sequiturs and the babble used by so many of the opponents of the direly needed reform. Let us focus our attention always on the main issue: What will promote the best interest of the entire Nation.

We are so fortunate in having the substantial assistance in our efforts of the U.S. Commission on Immigration Reform, who have worked so diligently and so well to produce their recommendations on changes to be made to the system of legal immigration. Their ideas have been of immense help to me. As I describe my bill, I will refer frequently to their well-founded and thoughtful recommendations.

We are also most fortunate in having such talented and dedicated legislators working in a consistent, bipartisan fashion in the other body, the House of Representatives—especially my friends, LAMAR SMITH and JOHN BRYANT. The steady, patient, and fair way they have proceeded in the processing of a bill under the chairmanship of Senator HENRY HYDE—a lovely friend of many years—is something we would do well to keep in mind as we go forward with our work here. I and my immigration sidekick here in the Senate, Senator TED KENNEDY, will heed their lessons.

Mr. President, the people are demanding change—and soon—and they are so right.

Most immigration to our United States is of a legal nature and, thus, many of the impacts the people find most troubling are due to legal immigration.

For too many U.S. workers, the impact of immigration includes adverse affects on their own wages and individual job opportunities.

At this time—when major U.S. employers like IBM, AT&T, and GM are laying off workers by the tens of thousands, when the defense industry has undergone a major downsizing, when we read of the difficulty so many young American college graduates are facing in finding a job in their own field—we must then reconsider some of the increases that we authorized in 1990, before so many of these events had occurred and when certain experts were predicting to us shortages of scientists and engineers, shortages that would not have occurred even if the 1990 increases in immigration had not come about.

The current major reform of the Nation's welfare system, which we will complete this session, is another reason why we must revise the present system. It is expected that these reforms will add large numbers of unskilled workers to the labor market. That is how the law will read: ''After 2 years on welfare, if you are able bodied, you will work.'' As a result, it is increasingly inappropriate for U.S. employers to be able to continue to petition for unskilled or low-skilled workers. That adversely affects the job opportunities and wages of the least-advantaged U.S. workers.

Mr. President, the bill I am introducing today contains new and lower limits on immigration; and assigns a ''higher priority'' to immigrants with skills and other characteristics that are consistent with the needs of the entire Nation—rather than primarily the needs or wishes of those abroad who would wish to come to this country, or the fraction of our own population who wish to bring in their relatives or who want to employ foreign workers.

Mr. President, in 1990 the level of legal immigration was increased substantially, by 37 percent. This was done partly because Congress and the President believed that the 1986 immigration reform law had instituted workable measures—including sanctions against employers who knowingly employ illegal aliens—that would greatly reduce illegal immigration. Unfortunately, the belief was overly optimistic. As a result, total immigration—legal plus illegal—had been in excess of 1 million per year.

For this reason—and because the American people so clearly want it—the annual level of legal immigration to the United States must—at least for the time being—be significantly reduced.

The bill I am introducing today would reduce the annual level of regular nonrefugee legal immigration from 675,000 to about 540,000. This would include 90,000 employment-related immigrants, plus 450,000 family immigrants—composed of 300,000 of the ''nuclear family,'' that is, spouse and minor children citizens and permanent residents, and 150,000 per year to reduce the backlog of spouses and unmarried minor children of permanent residents who are already eligible to come here.

Mr. President, I believe my colleagues should be aware that most other bills in this area introduced in this Congress and in the last Congress have proposed nonrefugee totals much lower than mine. Most have proposed 300,000, or even less.

Now, I do know that some do find the constant talk about numbers to be quite distasteful, but I sense that many who feel this way are not in very close touch with the American people—who observe firsthand just how much these ''numbers'' mean to conditions in the heavily impacted areas of this country. Yes, the issue of ''numbers'' is an essential element of the problem and the people will not let us forget that.

Yes, I know full well that the numbers represent human beings—human faces—and that to reduce immigration because it is in the interest of the entire Nation, nevertheless has its cost. And this cost may, indeed, involve many fine individuals in many places outside of this country giving up their dreams of a lifetime. This is not easy for us, and that is why we must keep focused always on the ultimate issue of what will promote the long-term best interests of the American people—those of us here.

It is time to slow down, to reassess, to make certain that we are assimilating well the extraordinary level of immigration the country has been experiencing in recent years. Yes, I say ''assimilating.'' Barbara Jordan uses that term, too. That should not be a ''politically incorrect'' term. Terms like ''assimilation'' and ''Americanization'' should not be ''politically incorrect.''

Mr. President, my bill also proposes major reform of the criteria for selecting immigrants, including both family-sponsored and employment-based immigrants.

The bill would reserve family-sponsored immigration for those most likely actually to be living with the relatives in the United States with whom they are in theory being ''reunited.''

Mr. President, in 1965 the United States adopted an immigration law that was primarily oriented toward family reunification. With some modifications, this emphasis has continued ever since.

The policy has not been limited to reunification of the closest family members, those most likely to actually llive together in the United States; that is, spouses and unmarried minor children: what is called the ''nuclear family''—the family unit the American people believe is most conducive to the raising of healthy, productive, and happy children.

No, the current policy has also given preference to adult or married children, parents, and brothers and sisters, who are much less likely to live with the U.S. relative who has petitioned for them. Last year, family immigrants outside of the nuclear family totaled more than 150,000.

This policy of admitting immigrants who are relatives of citizens and immigrants but outside of their nuclear families is serving primarily the interests of the immigrants themselves and those of their relatives in the United States

Because the American people want immigration reduced, and because eliminating the preferences for nonnuclear family would not greatly offend the family values of the American people, this is an area where significant change should be made.

Accordingly, the bill would narrow the presently numerically unlimited category of ''immediate relatives'' of U.S. citizens to include only: spouses and unmarried minor children, plus parents 65 or older, if the greatest number of their sons and daughters reside in the United States. It would also reserve numerically limited family immigration for spouses and unmarried minor children of lawful permanent resident aliens—''green card'' holders—at an annual ceiling of 85,000, still above the current level of new petitions coming in on behalf of such immigrants.

The Commission on Immigration Reform also recommends this elimination of most family classifications not related to the nuclear family.

In addition, ''special immigrant'' status would be provided for severely disabled adult sons and daughters of citizens or permanent residents, which is again consistent with the recommendations of the Commission on Immigration Reform. This provision would require a showing of being able to provide adequate medical and long-term care insurance for any such dependent immigrants.

The bill would also provide for a very generous program to reduce the current backlog of spouses and unmarried minor children of permanent residents—now 1.1 million. The bill would authorize 150,000 additional visa numbers per year until all who are now ''on the waiting list'' have been reached. This too was recommended by the Commission.

Mr. President, I want to remind my colleagues of a final point on family immigration. Neither the Government of these United States, nor the American people are responsible in any way for ''breaking up'' extended families abroad. Please hear that. No, immigrants who have come here consciously chose to do so and, by doing so, they personally chose to leave most of their family behind—to ''break up'' their family. No one else is responsible.

The American people will continue to generously favor allowing individual citizens and permanent residents to

''sponsor'' members of their immediate family—their spouse or unmarried minor children, even those disabled sons and daughters and elderly parents who they want to have live with them. But it is not in the best interests of the American people to continue to allow the immigration of the entire ''rest of the family'' they made a conscious choice to leave behind, and then witness the spawning of the chain migration of the in-laws, and in-laws of in-laws, to which this clearly leads.

Mr. President, the bill's proposed changes in the employment-related classifications are intended to protect the wages and job opportunities of our U.S. workers, especially those who are first entering upon their careers, and to preserve long-term incentives for Americans to acquire needed skills and education, and for employers to continually encourage them to do so.

We have a wonderful group of fine young people who have acquired an excellent and often very expensive education—and much of it, interestingly enough, paid for directly or indirectly by the U.S. taxpayers. It is in the national interest that their learned and natural abilities be fully utilized before employers are permitted to employ foreign workers.

At this time then I will review briefly the bill's employment-related provisions.

REFORM OF PREFERENCE REQUIREMENTS

Section 103 would reform the ''employment-based'' preference classifications, generally again along the lines recommended by the Commission. Two of the three components of the existing first preference—priority workers—would be essentially retained in the first two new preferences: First, aliens with extraordinary ability—the ''superstars''—and second, executives and managers of multinational firms. The first would be modified, as recommended by the Commission, by the addition of aliens with the clear potential for extraordinary achievement. The second provision, relating to multinational executives and managers, would be modified by the addition of a definition of the current multinational firm and a requirement for meeting a longer period of prior work experience.

Both of these classifications would be exempt from the new labor certification requirements I will also explain.

Also exempt from the labor certification requirement would be two other classifications in current law: third, investors and fourth, ''special immigrants,'' which includes clergy and other religious workers, as well as several other classifications, such as former employees of the U.S. Government.

The ''outstanding professors and researchers'' category would be dropped, but please be assured that more than enough ''numbers'' would be provided under our ''extraordinary ability classification'' to accommodate all of these genuinely outstanding individuals.

In addition to the four classifications that would not be subject to the new labor certification requirements, the bill proposes three classifications that would then be subject to labor certification: fifth, professionals with an advanced degree and at least 3 years experience in the profession practiced outside of the United States after the receipt of their degree, sixth, professionals with a baccalaureate degree and at least 5 years experience in their profession practiced outside of the United States after the receipt of their degree, and (7) skilled workers with at least 5 years experience gained outside of the U.S., plus having at least a high school education, and 2 years of college or of specialized vocational training.

The foreign work experience requirement is basically intended to provide protection for U.S. workers who are just beginning their careers.

These three classifications would also require a minimum score on a test of the English language. Again, this is employment-based only. We are not talking about family. No test there.

NEW LABOR CERTIFICATION REQUIREMENTS

Section 104 proposes that the present labor certification process be replaced with a new system involving two alternative approaches. Under the first alternative, a petitioning employer would be required to pay a fee equal to 25 percent of annual compensation and to demonstrate they have made appropriate efforts to recruit U.S. workers, including the offering of at least 100percent of the actual wage paid by the employer for such employment or 105percent of ''prevailing wage,'' whichever is higher. The fees would be paid into private, industry-specific funds that would use the money solely to finance training or education programs or in other ways to reduce the industry's dependency on foreign workers.

This section also proposes that the permanent resident status to be obtained under the preferences subject to the labor certification would be ''conditional''—as is the status obtained as the result of marriage. The conditional status would become full permanent resident status after 2 years if the alien were still employed by the petitioning employer and had also received the required wage.

This first approach to labor certification generally follows the recommendations of the Commission, although they did not recommend a particular amount for the fee. Twenty-five percent was chosen because it is a balance between the standard fee charged by recruiters in the computer programming industry and ''recruitment'' for other positions. The goal is to make an employer's ''cost'' of obtaining and employing a foreign worker at least as expensive as the cost of paying a professional recruiter to find a U.S. worker and then paying all of the worker's wages and benefits.

Under the second approach, the Secretary of Labor would be authorized to determine that a nationwide labor shortage or labor surplus does exist in the United States with respect to one or more occupational classifications. If there was a determination of labor shortage made, a labor certification would be deemed to have been issued. The fee would still be required, in order to provide funding for the private, industry-specific funds mentioned earlier, and to maintain the basic incentive of employers to seek—and to take action to increase the supply of—U.S. workers. If there were a determination of a labor surplus, no labor certification could be issued.

NUMERICAL LIMIT FOR EMPLOYMENT-BASED IMMIGRANTS

Section 112 would reduce the total for employment-related immigrants to 90,000. Although the total immigrants allowable under current law, as the result of the 1990 act, is 140,000, the actual entries in fiscal year 1994 were about 93,000—excluding unskilled workers and immigrants under the Chinese Student Adjustment Act. Thus, this provision of the bill would reduce the employment-based numerical limit to about the current level of new immigrants under the skilled-worker categories. We believe it to be fair.

NONIMMIGRANTS

The bill also contains provisions relating to nonimmigrants, including temporary foreign workers.

PROHIBITION OF ''DUAL INTENT''; REDUCTION OF MAXIMUM STAY TO 3 YEARS

Section 201 would, first, prohibit what is commonly known as ''dual intent'' for the visa classifications of H–1B—temporary foreign worker in a ''specialty occupation''—or L—intra-company transferee.

Before 1990, an overseas consular officer could refuse a visa applicant if the officer thought the applicant ''intended'' to remain in the United States permanently—in other words, if he or she had the intent to become, ultimately, an immigrant, as well as the similar intent to be, initially, a temporary worker. The 1990 act authorized this ''dual intent'' for H–1B and L visas.

After the change proposed by my bill, those visas would once again not be issued unless the applicant had a ''residence'' in a foreign country which he had no intention of ever abandoning—which is the rule for all other temporary visas.

The second change proposed by this section is that the ''maximum stay'' under these visas would be reduced to 3 years—from 6 years—for H–1B and H–2B—or from either 5 or 7 years—for L. A 3-year maximum is more consistent with the ''supposedly'' temporary nature of the job—and of the stay of the worker. It would also reduce the total number of such foreign workers who could be in the United States at any one time.

ANNUAL FEE; RECRUITMENT AND OTHER ATTESTATIONS; FOREIGN EXPERIENCE REQUIREMENT

Section 202 would require the petitioning employer to pay an annual fee

in order to employ an H–1B worker. The fee would be used for the same purposes as the fee for immigrants that I mentioned earlier, although the H–1B fee would be lower—5 percent in the first year, 7.5 percent in the second, and 10 percent in the third.

The section would also require petitioning employers to make several ''attestations'' in addition to those that are required under current law before entry of an H–1B worker could be approved: the employer would have to agree: First, to pay the H–1B worker at least 100 percent of the actual compensation as paid by the employer for such workers or 105 percent of the ''prevailing wage,'' whichever is higher; second, not to replace U.S. workers with H–1B workers unless each replacement worker were paid at least 105 percent of the mean of the compensation paid to the replaced workers; third, to take ''timely, significant, and effective steps'' to end dependence on foreign workers; and fourth, if it is a job contractor, to require its clients to make the same attestations as would the direct employers. The employer would also have to attest that it had attempted to recruit a U.S. worker, offering at least 100 percent of the actual compensation paid by the employer for such workers or 105 percent of the ''prevailing wage,'' whichever is higher.

Finally, the section would require that all H–1B workers have 2 years experience in their specialty while working outside of the United States after obtaining their most recently received degree. Similar to the foreign work experience required for immigrants, this is intended basically to protect job opportunities for U.S. workers who are just entering their careers.

DEFINITION OF MULTINATIONAL FIRM FOR L VISAS

Section 203 would apply to L visas—intracompany transferees—the same definition of ''multinational firm'' as is contained in the bill for purposes of describing the employment-based immigrant classification as used for certain multinational executives and managers.

CONCLUSION

Mr. President, the citizens of this Nation very much want, and they do surely deserve, an immigration policy that is designed primarily to promote their own long-term interests—their Nation's—and the interests of their descendants. This has thus been the fundamental criterion in the drafting of my own bill—together with my own intuition and feelings about the realities of today's political world. We must remain reasonable and responsive in pursuing this legislation and avoid the efforts of extremists, revisionists, and restrictionist. And be assured, this fundamental national-interest criterion will be my constant and steady guide as I move the bill through the ofttimes treacherous waters of the legislative process.

Mr. President, I ask unanimous consent that a section-by-section summary of the bill be printed in the RECORD at the conclusion of my remarks.

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

SUMMARY OF THE IMMIGRATION REFORM ACT OF 1995

This bill would amend provisions of the Immigration and Nationality Act, primarily those relating to the numerical limits and selection criteria for immigrants and nonimmigrants.

CHANGES IN FAMILY CLASSIFICATIONS

Sec. 101. Immediate relative classification.

This would narrow the immigrant classification ''immediate relatives'' of U.S. citizens (a numerically unlimited classification). At present, the classification includes spouses and unmarried minor (under 21) children of citizens, plus parents of adult citizens. After the change, only a portion of the parents would be included: those 65 or older, whose sons and daughters reside for the most part in the United States (the latter is often called the ''Australian rule''). The goal is to provide immigrant visas to ''reunify'' the parents most likely to live with their U.S. citizen sons or daughters, but only if there is not another country with a greater number of sons and daughters with whom the parent could live.

The section also proposes an amendment to the ''public charge'' exclusion that would condition admission of these parents on adequate medical and long-term care insurance.

Parents not qualified to immigrate to the U.S. under the new ''immediate relative'' classification would be able to immigrate through one of the employment-related classifications or to visit their U.S. relatives with a tourist visa.

Sec. 102. Family-sponsored preference classifications.

This would limit family preferences to the nuclear family (spouse and unmarried minor children) of lawful permanent residents. (However, severely disabled sons and daughters of citizens or permanent residents would have ''special immigrant'' status; see below.)

Thus, the section would eliminate or greatly narrow several non-nuclear family preferences, as recently recommended by the U.S. Commission on Immigration Reform:

4th (brothers and sisters of adult citizens)

3rd (married sons and daughters of citizens)

1st (unmarried adult sons and daughters of citizens)

2B (unmarried adult sons and daughters of permanent residents)

These classifications would be eliminated, except that bill section 105 would create a new ''special immigrant'' classification for ''disabled'' adult sons and daughters of citizens or lawful permanent residents, consistent with the Commission's recommendations.

CHANGES IN EMPLOYMENT PREFERENCES AND SPECIAL IMMIGRANTS

Sec. 103. Employment-based preference classifications.

This would reform the employment-based preferences. Two of the three components of the existing 1st preference (priority workers) would be essentially retained in the first two new preferences: (1) aliens with extraordinary ability (the ''superstars''), and (2) executives and managers of multinational firms. The first would be modified, as recommended by the Commission, by the addition of aliens with the potential for extraordinary achievement. The second provision, relating to multinational executives and managers, would be modified by the addition of a definition of multinational firm and a requirement for a longer period of prior work experience. These classifications would be exempt from the new labor certification requirements (see below).

Also exempt from the labor cert. requirement would be two other classifications in current law: (3) investors and (4) ''special immigrants.'' The investor classification would be modified to eliminate the ''set-aside for targeted employment areas'' and by a requirement that the new jobs which must be created be for citizens or lawful permanent residents (not ''other immigrants lawfully authorized to be employed in the United States;'' thus, for example, jobs for H–1B temporary workers would not be counted).

''Special immigrants'' include, among other classifications (e.g., former employees of the U.S. government), clergy and other religious workers. One proposed change: the required two years of experience in religious work would have to have been abroad. (The major change for the ''special immigrant'' classifications, however, would be the addition, in section 105 of the bill, of a new classification: severely disabled adult sons and daughters of citizens and lawful permanent residents.)

The outstanding professors category would be eliminated, but more than enough numbers would be provided for the extraordinary ability classification to accommodate professors who are genuinely outstanding.

In addition to the four classifications not subject to the new labor certification requirements, the bill proposes three classifications that would be subject to labor certification: (5) professionals with an advanced degree and at least 3 years experience in the profession outside the U.S. after receipt of the degree, (6) professionals with a baccalaureate degree and at least 5 years experience in the profession outside the U.S. after receipt of the degree, and (7) skilled workers with at least 5 years experience outside the U.S. and at least a high school education plus two years of college or specialized vocational training. The foreign work experience requirement is intended to provide additional protection for U.S. workers just beginning their careers.

The latter three classifications would also require a minimum score on a test of English.

The first of the seven employment-based classifications would have complete priority over the second (only the visa numbers available after demand under the first classification had been completely satisfied would be available for the second). Similarly, the 2nd classification would have complete priority over the 3rd, the 3rd over the 4th, and so on—with two exceptions: (a) there would be a numerical limit on most ''special immigrants'' under the 4th classification, and (b) the 5th classification (professionals with an advanced degree) and 6th classification (professionals with a baccalaureate degree) would each be allocated half of the numbers available after demand in higher classifications had been satisfied. The allocation between the 5th and 6th classifications reflects their current relative levels, as well as the fact that a professional with a baccalaureate degree in a particular field may contribute more to the economy than a professional with an advanced degree in a different field, one in less demand.

Sec. 104. Labor certification.

This proposes that the present labor certification process be replaced with a new system providing two alternative approaches. Under the first alternative, a petitioning employer would be required to pay a fee equal to 25% of annual compensation and to demonstrate appropriate efforts to recruit U.S. workers, including the offering of at least

100% of the actual compensation paid by the employer for such employment, or 105% of ''prevailing compensation,'' whichever is higher.

The lawful permanent resident status obtained under the preferences subject to labor certification would be conditional (like the status obtained as the result of marriage). The conditional status would become full lawful permanent resident status after 2 years if the alien were still employed by the petitioning employer and had received the required wage (105% of prevailing wage). This section of the bill contains many provisions describing the procedure to be followed to upgrade the conditional status. Such provisions are modeled on INA section 216 (intended to combat marriage fraud).

Such approach generally follows recommendations of the Commission. The Commission did not recommend a particular amount for the fee. 25% was chosen because it is in the middle of the range of fees charged by professional recruiters in various industries. The goal is to make an employer's cost of obtaining and employing a foreign worker at least as expensive as the cost of paying a professional recruiter to find a U.S. worker and then paying the worker's wages and benefits. The fees would be paid into private, industry-specific funds, which would use the money to finance training or education programs or in other ways to reduce the industry's dependence on foreign workers.

Under the second approach, the Secretary of Labor would be authorized to determine that a nationwide labor shortage or labor surplus existed in the United States with respect to one or more occupational classifications. If there were a determination of labor shortage, a labor certification would be deemed to have been issued. The 25% fee would still be required, in order (a) to provide additional funding for the industry-specific private funds, and (b) to maintain the incentive of employers to seek—and to take action to increase the supply of—U.S. workers. If there were a determination of a labor surplus, no labor certification could be issued.

Any person could request that the Secretary make such a determination, by submitting evidence relevant to whether or not the claimed labor shortage (or surplus) existed. The burden of proof would be on the person making the request. The request could not be considered unless the requester had provided notice to other persons with an interest (as determined by the Secretary). Such other persons, or anyone else, could submit documentary evidence relevant to the Secretary's determination.

Sec. 105. Special immigrant classifications.

This section would create a new ''special immigrant'' classification for severely disabled sons or daughters of citizens or lawful permanent residents. It contains a definition of ''disabled son or daughter'' which would require a ''severe mental or physical impairment'' that is likely to continue indefinitely and that causes ''substantially total inability to perform functions necessary for independent living.'' Providing such a classification is consistent with recommendations of the Commission.

The definition is based on several Federal statutes relating to disability, modified to refer to the degree of disability consistent with the policy of this ''special immigrant'' classification. Such policy is that it should cover only the sons and daughters who cannot take care of themselves and whose parents in the U.S. want to care for them at home.

The section also proposes an amendment to the ''public charge'' exclusion that would condition admission of these disabled sons and daughters on a showing of adequate medical and long-term care insurance. Failure to provide such insurance would subject the sponsor to civil penalties.

NEW PROVISION ON THE EFFECT OF AN APPROVED IMMIGRANT VISA PETITION

Sec. 106. Effect of approved immigrant visa petition.

This would reduce a problem in current visa practice which arises from the division of visa responsibility between INS and the State Department. At present, when an applicant is found ineligible for an immigrant visa by a consular officer—e.g., because the alien does not have the claimed occupation or family relationship—the officer may only ''suspend action'' and return the petition to INS. At that point, INS caseload is frequently such that the petition is once again approved, without additional investigation, and sent back to the consular officer. If the officer does not have additional factual evidence indicating that the alien is not entitled to immigrant status, the visa is issued. Section 106 would authorize the officer to deny the visa and return the petition to INS for appropriate action. This section is based on the view that the consular officer, who has the petition beneficiary before him, is in a better position to make the final determination of eligibility than an INS officer considering only the paperwork, usually hundreds of miles from the petitioner and thousands of miles from the beneficiary.

NEW PROVISION ON JUDICIAL REVIEW OF AGENCY ACTIONS ON VISA PETITIONS

Sec. 107. Judicial review.

This would establish limitations and conditions on judicial review of agency actions relating to petitions for a visa or adjustment of status.

CHANGES IN NUMERICAL LIMITS FOR FAMILY PREFERENCES

Sec. 111. World-wide numerical limitation on family-sponsored immigration.

This would reduce the numerical limit for family preference immigrants to 85,000, approximately the current level of new petitions for spouses and unmarried minor children of permanent residents (the only remaining family preference classification in the new system). Unused visa numbers would not carry over from one year to the next.

The result would be a decrease of about 140,000 from the current annual total of about 226,000 (for the full current group of 4 family preferences). Together with the likely reduction of at least 35,000 in ''immediate relatives'' of citizens that would result from limiting the admission of parents to those 65 or older, this provision would result in a level of family immigrants of about 300,000, a reduction of about 175,000 per year. Most of this saving (up to 150,000 per year) would be devoted to reducing the 1.1 million backlog in spouses and unmarried minor children of lawful permanent residents, resulting in overall family immigration of about 450,000 until the backlog is eliminated.

CHANGES IN NUMERICAL LIMITS FOR EMPLOYMENT PREFERENCES

Sec. 112. World-wide numerical limitation on employment-based immigration.

This would reduce the limit to 90,000. The total allowable under current law is 140,000. However, the actual entries in FY94 were about 93,000 (excluding unskilled workers and immigrants under the Chinese Student Adjustment Act). Thus, this provision of the bill would reduce the annual numerical limit for employment-based immigrants to approximately the current level of new immigrants under the skilled-worker categories.

CHANGES IN THE PER-COUNTRY LIMIT

Sec. 113. Numerical limitation on immigration from a single foreign state.

This would reestablish the per-country limit of 20,000 for preference immigrants in effect before 1990 (a 40,000 limit is proposed for ''contiguous countries'' and 5,000 for ''dependent areas''). The limit would not, however, affect spouses and unmarried minor children of lawful permanent residents as long as the backlog-clearance numbers were being provided (see sec. 114 below).

As under current law, this limit would not restrict the level of ''immediate relatives'' of citizens. However, the bill proposes to reduce the limit for a particular foreign state in a fiscal year by the number of immediate relatives of citizens above the 20,000 (40,000 for ''contiguous countries'' and 5,000 for ''dependent areas'') such foreign state sent in the prior year. For example, if in fiscal year 1995 the number of nationals from a non-contiguous country who entered as immediate relatives was 30,000, then the per-country limit for such country for fiscal year 1996 would be 10,000 fewer than the normal 20,000.

BACKLOG REDUCTION

Sec. 114. Transition for certain backlogged spouses and children of lawful permanent residents.

This would authorize 150,000 additional visa numbers in the first fiscal year beginning on or after the bill's effective date for reduction of the current backlog of spouses and unmarried minor children of permanent residents (now 1.1 million). After such first year, the quantity of backlog reduction numbers would be equal to the lesser of 150,000 and the amount by which the level of family immigration in the prior fiscal year was below the current level of about 475,000. The full 150,000 would be available, for example, if the level of nuclear family of permanent resident aliens were 85,000 (the limit provided in the bill) and the level of immediate relatives of citizens were no more than about 240,000 (if the bill's provisions were now in effect, the current level would be no more than 215,000, probably much less). The goal is for the total level of family immigrants (including those using backlog reduction numbers) to be no higher than currently.

The backlog numbers would go first to the spouses and children of permanent resident aliens who had not obtained immigrant status through the amnesty program of the Immigration Reform and Control Act of 1986 (''IRCA''). Backlog numbers would be provided for as long as anyone now on the waiting list had not been reached.

REVIEW OF NUMERICAL LIMITS BY CONGRESS

Sec. 115. Congressional review of numerical limitations.

This would require that after the present backlog of spouses and children of permanent resident aliens had declined to 10,000, or 5 years after enactment, whichever came later, the Judiciary Committees of the House and Senate each hold a hearing on the subject of whether the annual numerical limitations on family-sponsored or employment-based immigrant classifications should be changed. If, within 30 days of such a hearing, a bill pertaining solely to such a change was reported, that bill would be considered by the House and Senate under expedited procedures described in this section.

NONIMMIGRANTS

Sec. 201. Changes in H and L classifications.

This would, first, prohibit ''dual intent'' (present intent to work temporarily, but with the ultimate intent to immigrate permanently). After the change, an H-1B (temporary foreign worker in a ''specialty occupation'') or L (intra-company transferee) visa could not be issued unless the applicant had a residence in a foreign country which he had no intention of abandoning, which is the rule for all other nonimmigrant visas.

Second, the maximum stay under these visas would be reduced to three years—from six years (for H-1B and H-2B) or from either five or seven years (for L).

Sec. 202. Changes in H-1B classification.

This would require a petitioning employer to pay an annual fee in order to employ an H-1B temporary foreign worker. The fee would be used for the same purposes as the fee under bill section 104.

The section would also require petitioning employers to make several additional attestations before entry of an H-1B worker could be approved: the employer must agree (1) to pay the H-1B worker at least 100% of the actual compensation paid by the employer for such workers or 105% of the prevailing compensation (whichever was higher); (2) not to replace U.S. workers with H-1B workers unless each replacement worker were paid at least 105 percent of the mean of the compensation paid to the replaced workers; (3) to take ''timely, significant, and effective steps'' to end dependence on foreign workers; and (4) if it is a job contractor, to require its clients to make the same attestations as direct employers. The employer would also have to attest that it had attempted to recruit a U.S. worker, offering at least its current actual compensation for the job, or 105 percent of the prevailing compensation in the area, whichever was higher.

The section would also provide that ''prevailing compensation'' for an occupational classification, such as researcher, could not be considered to vary depending on the characteristics of the employer, except to the extent there is a difference in either (a) working conditions (for example the presence or absence of conditions that could make the job so attractive or unattractive relative to similar jobs for other employers that wages would be affected), or (b) the functional requirements of the job.

Finally, the section would require that all H-1B workers have two years experience in their specialty outside the U.S. after obtaining their most recently received degree.

Sec. 203. Changes in L classification.

This would provide the same definition of ''multinational firm'' contained in bill section 103 for purposes of the new employment-based immigrant classification for certain multinational executives and managers.

Sec. 204. Pilot program on information and tracking system relating to nonimmigrant foreign students.

This would establish a pilot program to collect from colleges and universities certain information relating to nonimmigrant students and make it available in electronic form to selected U.S. consulates and INS officers. Such information would include whether an alien is enrolled, or has been accepted for enrollment, in a U.S. college or university; current U.S. address; and whether the alien is a full-time or part-time student and is making normal progress toward the degree.

NOTE ON TOTAL NUMBERS

Under the bill, the numerical limits are: 85,000 for family preferences and 90,000 for employment preferences. The current level of spouses and children of citizens, plus parents 65 or older, is appropoximately 215,000. These numbers together total 390,000. Adding the backlog reduction of 150,000 brings the total to 540,000 (not including refugees).

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, I would very much like to commend the Senator from Wyoming for his work on immigration.

I am privileged to serve on his subcommittee on immigration on the Judiciary Committee, and it has been very wonderful for me to be able to watch him work out various problems in what has been a most difficult arena in which to legislate.

So I would just like to say to him, I am delighted he has presented his bill. I look forward to reading it. I hope I will be able to cosponsor it. I look forward to work with him in the committee as this bill is moved.

I think, Mr. President, that the Senator from Wyoming understands the need to move a bill in this session of the Congress. So I would like him to know that I am very respectful and grateful for his work in this area.

By Mr. PRESSLER (for himself and Mr. EXON):

S. 1396. A bill to amend title 49, United States Code, to provide for the regulation of surface transportation; to the Committee on Commerce, Science, and Transportation.

THE INTERSTATE COMMERCE COMMISSION SUNSET ACT OF 1995

Mr. PRESSLER. Mr. President, today I am introducing the Interstate Commerce Commission Sunset Act of 1995. I am very pleased to be joined in this effort by Senator EXON. It is a bipartisan bill and I urge my colleagues' bipartisan support as we work toward what must be very swift passage. Let me also make it clear at the outset that this bill is a work in progress. I introduce it today as the next step in a process of discussions and revisions that have been ongoing for months. This process will continue.

I would like to begin by outlining some of the underlying philosophy that went into its drafting. In addition, I will address the procedural posture in which we find ourselves in relation to this bill.

In preparation of the legislation we are introducing today, Senator EXON and I have worked together very closely. In fact, much of this legislation initially was written by my good friend and distinguished coauthor. Compromise and cooperation have produced what I feel is a balanced bill, addressing the immediate and compelling needs driving this legislation.

Our staff members and those of other committee members have collaborated throughout this process. They have spent many long hours in joint meetings with various interest groups and constituents who have raised concerns or urged additions. We have worked very hard to address legitimate concerns, and have made numerous changes to the previously circulated staff draft in an effort to address those concerns. However, as hard as we have worked to please all parties, our policy decisions ultimately were driver, in part, by the need to produce a bill which could be passed and signed into law this year. In short, the clock is running.

For reasons I shall address in a moment, however, we have made a conscious effort to avoid addressing broader transportation policy issues than those directly related to sunsetting the ICC and transferring its essential functions to its successor. To that extent, the Senate bill is more limited in scope than its House counterpart. Indeed, it remains largely unchanged from the staff draft which was circulated some time ago.

Mr. President, I introduce this legislation with mixed feelings. On the one hand, I am a firm believer in a less-is-better approach when it comes to government. Too often in Congress, we gage accomplishment by quantity rather than quality. We need to reduce Federal Government. In that sense, this is historic legislation. The ICC is our oldest independent agency, yet its functions can and should be reduced. Indeed, this could be said about every agency, every executive department, and both Houses of Congress. Less would be better. Our bill moves us in that direction.

However, the positive and necessary adjudicatory role of the ICC should not come to a screeching halt. Indeed, the ICC has performed and continues to perform important functions. For example, without its abandonment public interest review authority, my home State of South Dakota would today have hundreds of miles less rail service than we presently enjoy.

Quite honestly, budget constraints and appropriations legislation which terminate the agency's functions at the end of this year renders moot any debate over whether or not we should keep the ICC. Given the realities of the budget situation, the issue is not whether the ICC should be terminated, but how it will be dismantled.

Therefore, we must determine what ICC functions can continue to be effectively performed by a successor with a greatly reduced budget. Which functions can be subsumed into the Department of Transportation? Is there an ongoing need for a review process independent of political pressures? These are questions this legislation is designed to address.

This bill provides a reasoned approach designated to ensure continued protections against industry abuse while at the same time assure the economic efficiencies of our Nation's surface transportation system can continue. We propose to sunset the ICC and transfer its necessary residual functions to an independent Intermodal Surface Transportation Board within the U.S. Department of Transportation. The Board would administer the residual regulations over rail carriers and pipelines and provide limited adjudicatory oversight over the motor carrier industry. The Secretary of Transportation would inherit the residual nonadjudicatory functions governing the motor carrier industry.

Fundamentally, the approach taken in this legislation was to limit its

scope to the most efficient and simplest sunset and transfer bill, as opposed to a wholesale rewrite of transportation policy. But the very nature of the task—which is to close down an entire Federal agency—there is of necessity a need to sunset certain of its functions, however, some changes to these functions also had to be made in light of the budget realities which will confront the remaining agency.

None of this is to say concerns raised during the process through which this legislation was developed are not legitimate. Indeed, I believe they are. I am particularly concerned about the concerns of small rail shippers and operators in light of recent and continuing industry trends toward overwhelming industry concentration. More and more of this Nation's rail infrastructure is owned by fewer and fewer railroads.

Competitive concerns continue to increase, and the leverage of the smaller shippers and small feeder railroads relative to the class I railroads decreases. I recall chairing a hearing in 1985 which addressed some of those concerns. Since that time, my concern has only heightened.

Some have urged us to re-regulate the rail industry in this legislation. They argue that since the Staggers Act greatly deregulated the rail industry, shippers have been faced with difficult if not impossible relief mechanisms. They point out that the potential for shipper abuse increases with industry concentration. Their arguments are not entirely unpersuasive. However, a return to a pre-Staggers approach is not the answer at this time.

The shipper complaint procedure at the current ICC is hopelessly complicated to the point where shippers with a legitimate grievance generally do not have an effective remedy available. The real question in my mind is the extent to which legitimate grievances can be identified, aired, and resolved. Most of the suggestions raised involved some form of re-regulation.

Even though I voted against the Staggers Act over a decade ago, I must say it has proved to be extraordinarily successful in reviving a failing industry and on balance has been positive for shippers and industry alike. Therefore, at this juncture, it is premature to attempt to re-regulate, without a clearer identification and articulation of the problem, and an established record which provides some reasonably compelling evidence that the solution proposed actually fixes the problem.

On both counts, it seems more effort could be made by all parties to attempt to develop industry solutions before seeking Government solutions. The fundamental problem I see developing in the industry today is that the shippers and others are, as I said, increasingly losing leverage in their relations with the class I railroads. In many ways, shippers and small railroads are in the same boat.

Due to these concerns, I am proposing to establish a rail-shipper transportation advisory council in an attempt to give them a stronger voice, and a mechanism to resolve many of the concerns within the industry, rather than having the Government address them. It is clearly and intentionally weighted in favor of small shippers and small railroads in an effort to address the many issues in which they have mutual and legitimate public interest concerns. After a reasonable opportunity has been made available to review the varied issues confronting small shippers and railroads, I would anticipate a series of oversight hearings to review the advisory council's findings or recommendations, and, if necessary, appropriate legislative action will be taken.

Whether the council is an effective tool or not will depend largely on the reasonableness of the small shippers and railroads position. It would be as much of a mistake for them to overplay their hand as it would for the large railroads not to treat their concerns seriously. If the smaller railroads and shippers overplay their hand by making unreasonable demands, the council will quickly lose credibility, both within the industry and with policy makers. At the same time, if class I's are indifferent or unresponsive to legitimate concerns raised, legislative solutions far more expansive than any proposed to date will be seriously considered. Re-regulation, antitrust protection, and everything else will be on the table.

Mr. President, let me say it again. This chairman knows the concerns of the shippers and small railroads are very real. They need to be addressed. The message to both the rail industry and to shippers is simple. Be reasonable. Define and solve your problems to the best of your ability. Excessive Government involvement is a last resort. It will not happen without compelling need and a demonstration of good faith effort by those seeking Government intervention, that all reasonable avenues to develop a reasonable industry compromise have been blocked by relative unreasonableness.

With respect to labor, there have been attempts to reach a negotiated solution to that issue as well. We have included language which is far less satisfactory in my view than the House bill, but I agree to it with the expectation that the parties can agree to compromise on this issue. It remains an issue that is unresolved, but which shall—as with other provisions of the bill—be addressed further.

ADDITIONAL COSPONSORS

S. 847

At the request of Mr. GREGG, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 847, a bill to terminate the agricultural price support and production adjustment programs for sugar, and for other purposes.

S. 939

At the request of Mr. SMITH, the names of the Senator from Kansas [Mr. DOLE], the Senator from Oklahoma [Mr. INHOFE], the Senator from Indiana [Mr. COATS], and the Senator from Ohio [Mr. DEWINE] were added as cosponsors of S. 939, a bill to amend title 18, United States Code, to ban partial-birth abortions.

S. 1219

At the request of Mr. MCCAIN, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Connecticut [Mr. DODD], the Senator from Nebraska [Mr. KERREY], and the Senator from Illinois [Ms. MOSELEY-BRAUN] were added as cosponsors of S. 1219, a bill to reform the financing of Federal elections, and for other purposes.

S. 1289

At the request of Mr. KYL, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1289, a bill to amend title XVIII of the Social Security Act to clarify the use of private contracts, and for other purposes.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the names of the Senator from Wisconsin [Mr. KOHL], the Senator from Kansas [Mr. DOLE], the Senator from Oklahoma [Mr. INHOFE], and the Senator from Colorado [Mr. BROWN] were added as cosponsors of Senate Resolution 146, a resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as ''National Family Week,'' and for other purposes.

SENATE RESOLUTION 192—MAKING MAJORITY PARTY COMMITTEE APPOINTMENTS

Mr. DOLE submitted the following resolution; which was considered and agreed to:

S. RES. 192

Resolved,

The following are named majority party members on the part of the Senate to the Joint Committee on the Library:

Mr. Hatfield (Chairman), Mr. Stevens, and Mr. Warner.

The following are named majority party members on the part of the Senate to the Joint Committee on Printing:

Mr. Warner (Vice Chairman), Mr. Hatfield, and Mr. Cochran.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will hold a business meeting to mark up S. 1341, the Saddleback Mountain-Arizona Settlement Act of 1995, a bill to transfer certain lands to the Salt River Pima-Maricopa Indian community and the city of Scottsdale, AZ, followed immediately by a hearing on S. 1159, a bill to

authorize a National American Indian Policy Information Center. The markup and hearing will take place on Tuesday, November 7, 1995, beginning at 10 a.m. in room 485 of the Russell Senate Office Building.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES, SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. CAMPBELL. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, November 9, 1995, at 9:30 a.m., instead of 2 p.m., as previously scheduled, in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review S. 231, a bill to modify the boundaries of Walnut Canyon National Monument in the State of Arizona; H.R. 562, a bill to modify the boundaries of Walnut Canyon National Monument in the State of Arizona; S. 342, a bill to establish the Cache La Poudre River National Water Heritage Area in the State of Colorado; S. 364, a bill to authorize the Secretary of the Interior to participate in the operation of certain visitor facilities associated with, but outside the boundaries of, Rocky Mountain National Park in the State of Colorado; H.R. 629, a bill to authorize the Secretary of the Interior to participate in the operation of certain visitor facilities associated with, but outside the boundaries of, Rocky Mountain National Park in the State of Colorado; S. 489, a bill to authorize the Secretary of the Interior to enter into an appropriate form of agreement with the town of Grand Lake, CO, authorizing the town to maintain permanently a cemetery in Rocky Mountain National Park; and S. 608, a bill to establish the New Bedford Whaling National Historical Park in New Bedford, MA.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Parks, Historic Preservation, and Recreation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224–5161.

COMMITTEE ON ENERGY AND NATURAL RESOURCES, SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. CAMPBELL. Mr. President, I would like to announce for the information of the Senate and the public that the November 16, 1995, hearing which had been scheduled before the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources to receive testimony on S. 873, a bill to establish the South Carolina National Heritage Corridor; S. 944, a bill to provide for the establishment of the Ohio River Corridor Study Commission; S. 945, a bill to amend the Illinois and Michigan Canal Heritage Corridor Act of 1984 to modify the boundaries of the corridor; S. 1020, a bill to establish the Augusta Canal National Heritage Area in the State of Georgia; S. 1110, a bill to establish guidelines for the designation of National Heritage Areas; S. 1127, a bill to establish the Vancouver National Historic Reserve; and S. 1190, a bill to establish the Ohio and Erie Canal National Heritage Corridor in the State of Ohio, has been canceled.

For further information, please contact Jim O'Toole of the subcommittee staff at (202) 224–5161.

AUTHORITY FOR COMMITTEE TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Friday, November 3, 1995, session of the Senate for the purpose of conducting a hearing on the nominations of S. Jane Bobbitt, to be Assistant Secretary for Legislative and Intergovernmental Affairs at the Department of Commerce; Charles A. Hunnicutt, to be Assistant Secretary for International Aviation at the Department of Transportation; and Nancy E. McFadden, to be general counsel of the Department of Transportation.

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

ADDITIONAL STATEMENTS

DESPITE COMPLEX TAX CODE, IRS MUST TREAT TAXPAYERS WITH FAIRNESS AND RESPECT

• Mr. MACK. Mr. President, death and taxes may be the only two things in life that are unavoidable, and the Federal Government has even found a way to combine them. Federal estate—death—and gift taxation represents punitive double taxation and unfairly transfers income from families to the Government. They tax money that has already been taxed once, if not twice. The steep 55 percent top estate tax rate frequently forces many families to liquidate or sell their businesses or farms just to pay the tax collector rather than being able to pass those belongings onto their next generation—often wiping out a lifetime of hard work.

Unfortunately, many taxpayers are punished even when they play by the rules. Because of the complexity of the Tax Code, many unsuspecting taxpayers get caught up in a situation in which they have to capitulate to the demands of the IRS or have to spend huge sums of money in the hopes of a fair tax court decision. Federal estate and gift taxation creates some of the most egregious cases. For example, hypertechnical IRS interpretation of the interplay between Code sections 2034 and 2038 have transcended any intent of Congress. Unforeseen technical traps in the Tax Code were not meant to be revenue raisers for the Federal Government at the expense of unsuspecting taxpayers.

Our complex and punitive Federal tax system is in need of a complete overhaul. Americans now waste some $190 billion and 6 billion man-hours just complying with our onerous Tax Code each year. That's the equivalent to the man-hours it takes to produce all the cars, trucks, and airplanes in this country each year. Tax reform is critical to simplifying the Tax Code and enhancing our Nation's long-term economic growth. And, as always, this will likely take several years to accomplish. In the meantime, taxpayers must always be treated with fairness and respect by the IRS as they comply with our current complex system.•

LOAN PLAN GOOD FOR SCHOOLS, STUDENTS

• Mr. SIMON. Mr. President, the interim chancellor of the University of Illinois at Chicago, David C. Broski, had a letter to the editor in the Chicago Tribune about direct lending.

Because our colleagues are trying to figure out right now what to do on direct lending, I thought they would be interested in seeing the perspective of a college administrator.

I ask that the letter to the editor be printed in the RECORD.

The letter to the editor follows:

LOAN PLAN GOOD FOR SCHOOLS, STUDENTS

CHICAGO.—I couldn't agree more with the Tribune's editorial opposing the changes in the Federal Direct Loan Program that have been suggested by the banking industry (''Cooking the books on student loans,'' Sept. 11).

The program received a big boost last year when rules were changed to allow the government to lend directly to students at some universities, without running the money through banks. But it could lose all it gained if Congress succumbs to pressure from banking interests and goes back to the old system. The debate in Washington has centered on arcane—and conflicting—reports from accountants. Some say the new program is more costly; others say it's not.

I'm not qualified to analyze the accountants' reports (though I don't understand how eliminating a middleman can cost you money). But I do know that the new program has benefited the people it was supposed to help: the students and the universities.

At the University of Illinois at Chicago, the direct-lending program has cut the average processing time for a student loan from seven weeks to three. And it has saved time and effort for our financial-aid staff because they don't have to deal with a multiplicity of banks. As a result, students get their

money sooner and UIC saves money in reduced staff time and processing costs. We expect to process more than $40 million in direct student loans this academic year. At our sister campus in Urbana-Champaign, direct lending resulted in 2,500 more students receiving their loan proceeds at the beginning of the fall semester, compared with the previous year.

A Harvard University official echoed the sentiments of our financial-aid people when he said, ''Now that we're no longer caught up in the paper chase from many lending institutions and guarantee agencies, we have more time to deal with real issues.''

There's another good thing about the direct lending program that was not mentioned in your editorial. It offers a greater variety of repayment options. In addition to the standard repayment plan spread out over 5 to 10 years, students can choose: an extended repayment period with lower monthly payments, a plan in which payments increase over time, a plan with payments pegged to the borrower's income.

The advantage of these options, of course, is that they give college graduates the freedom to take lower-paying but socially useful jobs and still repay their student loans.

Federally guaranteed bank loans haven't been abolished. In fact, they make up more than half of the $25 billion in annual student loans. But UIC, like most of the state universities in Illinois, has switched to direct lending—with excellent results. The program is good for our students and good for Illinois taxpayers, and it shouldn't be abolished or weakened.—David C. Broski.●

IRANIAN BEHAVIOR

● Mr. D'AMATO. Mr. President, I rise today to comment on Iranian behavior and the continued need for sanctions to be placed upon this barbarous regime.

The Iranian regime's stubborn insistence on actions which only serve to isolate that nation and its people, threaten to cast Iran into total deprivation. The sponsorship of international terrorism, continued efforts to build weapons of mass destruction, and human rights violations against innocent Iranians, threaten to throw the country back into medieval times, where all the technology of the West and the ease of our daily life will be absent from the Iranian nation, due directly to the abusive rule of this primitive regime.

Iran is isolated and universally viewed as a pariah state. Its actions are abhorrent to the civilized world. As long as this warped, terroristic regime continues to punish the Iranian people with its misrule, this condition will continue. The tyrants in Tehran must understand their aggression and abuse of the good people of Iran will not last, and one day they will be brought to task for their actions.

While the tyrants continue to rule in Tehran, sanctions are a clear way to keep up the pressure on Iran and to deny them the ability to carry out their aggression on the outside world as well as against their own people. We do not take these issues lightly. It is a pity that the regime cannot act like a civilized country and not be so abusive. If only Iran would not conduct these brutal actions, we would not have to place sanctions on it.●

CUTTING TAXES NO MATTER THE COST

● Mr. SIMON. Mr. President, our colleague, Senator RUSS FEINGOLD, has been leading the charge in trying to get us to use common sense and not have a tax cut at this point.

I have been pleased to join him in this effort.

The Chicago Tribune, a newspaper that is independent but with a slight Republican leaning, had an editorial titled, ''Cutting taxes no matter the cost'' that makes a great deal of sense.

I ask that the editorial be printed in the RECORD.

The editorial follows:

CUTTING TAXES NO MATTER THE COST

Republican lawmakers who know better will swear that a tax cut is necessary, that the savings from balancing the budget and shrinking government should go to small businesses, families with kids and others who will spend it better than Congress.

The same lawmakers will insist that they must honor a House-Senate compromise reached last summer to cut taxes by $245 billion, even though a few will acknowledge that a smaller number—or better yet, no tax cut at all—would make their job of balancing the budget in seven years that much easier.

But for now, as Republicans on the Senate Finance Committee clearly showed last week, the need to maintain party unity, appease the party's conservative elements and confront President Clinton on the budget is overriding sound judgment, economic logic and tax policy.

On Friday, Republicans on the tax-writing panel announced they had agreed to a $245 billion package of tax cuts over seven years that includes a permanent $500-per-child tax credit, significant reductions in capital gains taxes and breaks for corporations. The unanimous agreement insured that the measure will pass the full committee this week and made it likely it will be added to a budget-balancing bill for a full Senate vote later this month.

The deal also ended weeks of growing GOP division over tax cuts. Several weeks ago, for example, Sen. Bob Dole of Kansas candidly suggested that a smaller tax cut package might be appropriate and that it made sense to let the expensive family tax credits expire in five years. He was attacked immediately by rival presidential candidate Sen. Phil Gramm of Texas for backpedaling on the promised GOP tax cuts. Soon after, Dole ditufully got back in line.

In fact, the $500-a-child tax credit is the package's costliest provision, yet does nothing to boost long-term economic growth. But Gramm and conservative constituencies like the Christian Coalition believe families that forgo income to raise children deserve an allowance, and they're insisting on nothing less.

What many Republicans still don't get, however, is that their own analysis say the tax cuts will add $93 billion in extra debt and interest payments to the $5 trillion of red ink that the nation has collected.

Any savings earned from balancing the budget should be used to shrink the national debt, not to finance tax breaks. That would be the fiscally prudent course. But, as the Finance Committee has shown, politics outweighs prudence of any kind these days.●

GAMBLING FEVER

● Mr. LUGAR. Mr. President, I ask unanimous consent that the attached article be printed in the RECORD.

[From the New York Times, Apr. 10, 1995]

GAMBLING FEVER

(By William Safire)

HARPERS FERRY, W.VA—At the age of 14. I was standing on a landing in the stairwell at Joan of Arc Junior High School in Manhattan, watching a crap game, when I felt the heavy hand of a teacher on my shoulder.

My protest that I didn't even have a bet down was unavailing; four of us, all seniors, were branded as gamblers. The shaming punishment: though permitted to be graduated, I was refused a place at commencement and denied a diploma.

That was back when gambling was viewed as wrong: when bookies and numbers racketeers were considered the scum of society; and when a lust for something-for-nothing was looked upon as a weakness of character.

Today, state-sponsored gambling is the national pastime. Nearly 100 million casino visitors, video gamblers and sports bettors wager close to a half-trillion dollars—with $40 billion going to the ''house.''

And today, aboriginal Americans are exploiting those of us who followed in neon casinos on their reservations. The tribes are becoming a nation of croupiers, in league with national gambling interests, while pretending ill-gotten profits are used primarily to educate their children.

The ''gambling industry''—none of its pious proponents call it the gambling racket—is the source of the greatest sustained, bipartisan political hypocrisy of our time.

Liberals, professing a horror of regressive taxation, turn a blind eye to the way state-sponsored gambling redistributes income upward, and how new casino permissions snatch welfare checks to fatten per-share earnings of casino stockholders.

Conservatives, ostensibly upholders of public morality, approve government advertising campaigns to entice citizens to gamble in lotteries and play the ponies at off-track betting parlors.

Gullible voters were sold this notion: since many people liked to gamble anyway, why not turn gambling's profits to public benefit?

But the result is the gambling epidemic, with its associated money laundering by criminals, corruption of public officials and ''cannibalization'' of local economics. Thanks to the public blessing of gambling by government, the moral stigma was removed and the high roller has become a folk hero.

The media cannot escape their share of the blame. From the hysterical hype of the Publishers Clearing House to the front-page and primetime publicity given sweepstakes winners (nobody covers the losers), we have glorified the pernicious philosophy of something-for-nothing.

Nothing is for nothing. Crime always goes hand-in-hand with gambling. Here in the relatively poor state of West Virginia, a former governor confessed to taking bribes from racetrack operators and a lottery director was jailed for rigging a video lottery contract. Disgusted, church groups recently leaned on legislators to reject riverboat gambling, and the pols suddenly realized that a pro-casino vote could be a loser.

Now the media are at last awakening. Gee-Whiz stories touting the craze are out and hard reporting of the spreading addiction is in.

The Economist cast into doubt the claim that gambling salvages local economies. USA Today headlined: ''Nation raising 'a generation of gamblers,'" focusing on the ring corrupting schools in suburban Nutley, N.J. The best reporting was in Sports Illustrated's detailed expose of the gambling addiction rampant in the nation's colleges.

But television news is still gambling's friend. With young gamblers relying heavily

on the sports ticker that runs at the bottom of CNN's Headline News, that network has a special responsibility to show how the lives of many students are being ruined by the compulsion its ticker helps feed. A ''Gambling is for suckers'' crawl among the scores would do for starters.

Will the pols sense the coming voter revulsion at the ''painless'' revenue source that failed? Representative Frank Wolf of Virginia has introduced a bill to establish a ''National Gambling Impact and Policy Commission''; let's see if the casino lobby can buy the votes to avert scrutiny and resigmatizing.

The yen to gamble is a personal weakness, but state-sponsored gambling is a banana-republic abomination that undermines national values. My gratitude goes to that tough teacher at Joan of Arc who stopped me before I started.

OPPOSITION TO THE WELFARE BILLS IS GROWING

• Mr. MOYNIHAN. Mr. President, as there will be no rollcall votes in the Senate today, some Senators are away and may have missed the open letter to the President from Marian Wright Edelman, entitled ''Say No to This Welfare 'Reform,' '' in this morning's Washington Post. She writes:

As President, you have the opportunity and personal responsibility to protect children from unjust policies. It would be a great moral and practical wrong for you to sign any welfare ''reform'' bill that will push millions of already poor children and families deeper into poverty, as both the Senate and House welfare bills will do. It would be wrong to destroy the 60-year-old guaranteed safety net for children, women and poor families, as both the Senate and House welfare bills will do.

An accompanying Post editorial makes a further point about the Senate welfare bill:

Now here is the part you need especially to know: *Mr. Clinton's own advisers have told him that it would likely consign as many as a million more children to poverty, and it would provide several billions less for child care than his own proposal of a year ago.* [Their italic.]

Mr. President, something important is happening here. There is a growing recognition that the Senate made a terrible mistake 6 weeks ago. We voted 87 to 12 to repeal title IV–A of the Social Security Act—with almost no understanding of what the consequences might be.

Fortunately, the hard evidence has begun to come out. I only hope it is in time. Last Friday, the Los Angeles Times ran a front-page story about a September 14 report prepared by the Department of Health and Human Services. The report, which has yet to be officially released, concludes that the Senate bill would plunge 1,100,000 dependent children into poverty, and would also significantly deepen the poverty of children who are already living below the poverty line. I had the report made a part of the RECORD on November 1, and I hope every Senator will read it carefully.

Another analysis will become available in official form early next week. The Office of Management and Budget—in response to a request from this Senator along with Representative SAM GIBBONS and 10 other members of the conference committee on welfare—will release a report on Monday or Tuesday on the effects of the Senate and House bills on children. I fully expect that this new analysis will confirm what the earlier estimates indicated: either bill would be Armageddonic for children.

Over the years Congress may have missed opportunities to help dependent children, but never in our history have we calculatedly set out to injure them. The administration's own analysis shows that this is precisely what will occur under either bill now before the conference.

Mr. President, I ask that the open letter to the President from Marian Wright Edelman and the editorial from today's Washington Post be printed in the RECORD.

The material follows:

[From the Washington Post, Nov. 3, 1995]

SAY NO TO THIS WELFARE REFORM

(By Marian Wright Edelman)

AN OPEN LETTER TO THE PRESIDENT

I am calling for your unwavering moral leadership for children and opposition to Senate and House welfare and Medicaid block grants, which will make more children poor and sick.

As president, you have the opportunity and personal responsibility to protect children from unjust policies. It would be a great moral and practical wrong for you to sign any welfare ''reform'' bill that will push millions of already poor children and families deeper into poverty, as both the Senate and House welfare bills will do. It would be wrong to destroy the 60-year-old guaranteed safety net for children, women and poor families as both the Senate and House welfare bills will do.

It would be wrong to leave millions of voteless, voiceless children to the vagaries of 50 state bureaucracies and politics, as both the Senate and House bills will do. It would be wrong to strip children of or weaken current ensured help for their daily survival and during economic recessions and natural disasters, as both the Senate and House bills will do. It would be wrong to exacerbate rather than alleviate the current shameful and epidemic child poverty that no decent, rich nation should tolerate for even one child.

Both the Senate and House welfare bills are morally and practically indefensible. Rather than solve widespread child deprivation, they simply shift the burden onto states and localities with far fewer federal resources, weakened state maintenance of effort and little or no state accountability. As you well know, these block grants are not designed primarily to help children or to make families more self-sufficient. They are Trojan Horses for massive budget cuts and for imposing an ideological agenda that says that government assistance for the poor and children should be dismantled and cut while government assistance for wealthy individuals and corporations should be maintained and even increased. Do you think the Old Testament prophets Isaiah, Micah and Amos—or Jesus Christ—would support such policies?

Neither the Senate nor House welfare bill is an example of the good competing with the perfect. Both are fatally flawed, callous, anti-child assaults. Both bills eviscerate the moral compact between the nation and its children and its poor.

If child investments are unfairly and indiscriminately cut by many billions of dollars, there is perhaps some prospect of recouping the money over time when new child suffering becomes apparent, as it did after the Reagan cuts and as it will this time as pending cuts are many times worse. *But longer-term and perhaps irreparable damage will be inflicted on children if you permit to be destroyed the fundamental moral principle that an American child, regardless of the state or parents the child chanced to draw, is entitled to protection of last resort by his or her national government. If any piece of the framework or cornerstone of the laws—AFDC, Medicaid, family and child nutrition—is dismantled, we may not get them back in our lifetime or our children's.*

What a tragic step backward for America when so many children already are left behind. Both you and I know that there are lessons from American history, including the end of Reconstruction, when the immoral abandonment of structures of law and equity led to decades of setbacks for powerless Americans and battles we still are fighting today. What a tragic irony it would be for this regressive attack on children and the poor to occur on your watch. For me, this is a defining moral litmus test for your presidency.

We cannot heal our racial divisions or prepare our nation for the future unless we give poor black, brown and white children a healthy and fair start in life. These pending block grants will make that task so much harder. Together with the proposed tax policies, they widen the income gulf between America's haves and have-nots. You have spoken too eloquently and worked too long for children to wipe it out with your signature now.

It is nonsense for congressional leaders to argue that they are protecting children from a future debt children did not create by destroying the vital laws and investments children need to live, learn and grow today. That is the domestic equivalent of bombing Vietnamese villages in order to save them. It is moral hypocrisy for our nation to slash income, health and nutrition assistance for poor children while leaving untouched hundreds of billions in corporate welfare, giving new tax breaks of over $200 billion for nonneedy citizens, and giving the Pentagon almost $7 billion it did not request.

The Children's Defense Fund wants welfare reform. But we want fair reform that does not pick on and hurt children and that provides parents jobs and safe child care. We want reform that prepares our children for the new millennium—not reform that pushes them back to past inequities within and among states.

We want to ''end welfare as we know it.'' But we do not want to replace it with welfare as we do not want to know it. We do not want to codify a policy of national child abandonment.

Franklin Delano Roosevelt correctly said: ''Better the occasional faults of a government that lives in a spirit of charity than the constant omissions of a government frozen in the ice of its own indifference.'' Every president since FDR—Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter, Reagan and Bush—preserved the minimal national guarantee of income assistance for poor children. It is a precedent I hope and trust you will uphold. What was right and compassionate in FDR's day is right today and will be right tomorrow.

There is an even higher precedent that we profess to follow in our Judeo-Christian nation. The Old Testament prophets and the New Testament Messiah made plain God's mandate to protect the poor and the weak

and the young. The Senate and House welfare bills do not meet this test.

[From the Washington Post, Nov. 3, 1995]

THE WELFARE FADE

Now President Clinton has walked away from the welfare bill he sent to Congress last year, just as the week before he renounced the tax increase he pushed to passage in 1993. What next? Perhaps he'll say he didn't mean to send up last year's health care reform proposals either. Mrs. Clinton made him do it. It becomes increasingly difficult to know what this president stands for, or whether he stands for anything.

Mr. Clinton telephoned the columnist and author Ben Wattenberg last week. Mr. Wattenberg is a conservative Democrat who thinks the party has drifted too far from majority values to which it ought to return. Among much else, he thought the welfare plan the president submitted last summer was too weak—and guess what? The president agreed with him. Mr. Wattenberg wrote in a column that Mr. Clinton told him, ''I wasn't pleased with it either.''

The White House went to its familiar battle stations. The president, after all, wouldn't want the many people in and out of the administration who helped formulate the plan, to say nothing of the many in Congress whom he had urged to support it, to think he was abandoning them. His spokespeople therefore once again had to scurry to explain what it was that he had really meant. What he had really meant was that the budget made him do it, his press secretary said. For lack of child-care money, he hadn't been able to draw up a plan to force as many mothers off the rolls as he would have liked. But that's not what really happened. It's a misleading and self-serving, not to say self-deluding, account of the history of this bill, as fictional as was the president's account of the history of the tax increase.

Campaigning in 1992, Mr. Clinton suggested that he would force people off the welfare rolls after two years; that was the top of the message, which people heard. It was followed by all kinds of footnotes saying he would force them off only under certain conditions. The government, as part of the process of moving them off the rolls, would offer increased support in the form of training, an extension of their Medicaid, child care—even a job itself, if necessary. The families would be off ''welfare,'' but government spending on their behalf would meanwhile go up, not down. That's how it has to be, of course, but in the campaign, that not-so-popular part of the message was played down. One still could have hoped and even believed he meant it, of course.

In office, the task of marrying the slogan to the footnotes fell mainly to the Department of Health and Human Services. The secretary hired some of the best people in the country to do the work. They did it well. Last summer the president loved it, or seemed to. ''If we do the things we propose in this welfare reform program, even by the most conservative estimates, these changes together will move one million adults who would otherwise be on welfare into work or off welfare altogether by the year 2000,'' he said in announcing its submission.

But the president's plan was swept aside by Republican and other congressional conservatives who pocketed his proposal for time-limited welfare and went beyond it. Mr. Clinton started and in a sense legitimized a process that he then lacked the votes and stature to stop. No action was taken on welfare last year; this year, with Republicans in command of both houses, the House and Senate have passed much tougher bills than Mr. Clinton proposed.

Both are bad by the standards the president enunciated last year. They are punitive, would pull the federal floor out from under welfare, could lead to the breakup of the food stamp program as well, and would likely end up stranding some of the most vulnerable people in the society. Most of those are children. The president has nonetheless climbed aboard and said he would sign the Senate version. Now here is the part you need especially to know: *Mr. Clinton's own advisers have told him that it would likely cosign as many as a million more children to poverty, and it would provide several billions less for child care than his own proposal of a year ago*. But, well, it's better than the House bill, and surely you couldn't ask a president who promised to end welfare as we know it to begin the election year by vetoing a welfare reform bill that he himself did so much to beget.

Mr. Clinton could have fought for the right result on welfare. He knows the issues by heart; he has the power; and when he still had the courage to voice them, he had the better arguments. What he has done instead is acquiesce for political reasons in the wrong result—and then give false reasons for the acquiescence. He thinks he gains by such behavior, but he diminishes himself.●

FLAG-DESECRATION AMENDMENT COULD MAKE MATTERS FAR WORSE

● Mr. SIMON. Mr. President, George Anastaplo, who teaches law at the Loyola University of Chicago, is a longtime battler for first amendment rights. Recently, he had an item in the Chicago Sun-Times about the flag amendment to the Constitution that we will be confronting before too long.

One of the points he mentions is that the amendment in the Constitution would elevate the flag above the Constitution. It does strike me as ironic that flag desecration would be enshrined in the Constitution, while if you burn the Constitution, nothing happens. Should we then have another amendment for that? And perhaps another amendment for anyone who would burn the Bible? Where does this stop?

I also have noted flags made into shirts and even pants. I confess, I find this offensive, but I don't think we need to amend the Constitution because of offensive conduct.

I ask that the George Anastaplo item be printed in the RECORD.

[From the Chicago Sun-Times, Sept. 11, 1995]

FLAG-DESECRATION AMENDMENT COULD MAKE MATTERS FAR WORSE

(By George Anastaplo)

The occasional flag-burning display permitted during the last decade by the U.S. Supreme Court is generally offensive. But the proposed constitutional amendment authorizing the government to punish physical abuse or desecration of the flag may make matters far worse, however patriotic the motives of the amendment's sponsors.

One implication of such an amendment is that all other forms of desecration in this country would be thereafter considered beyond government supervision. Also, the flag would be elevated above the Constitution, even though that document alone is granted special status in the Constitution. (Every federal and state officer of government in this country is required to take an oath to support the Constitution of the United States.)

A likely effect of legislation grounded in the proposed flag-desecration amendment would be to increase the number of publicized flag-burnings in this country. Those impassioned flag-burners who want to provoke the authorities to act against them are protected, and in effect discouraged, these days by Supreme Court rulings.

Routine abuses of the flag will continue, no matter what the Constitution and laws happen to say. Most of these abuses, keyed to commercial exploitation, have always been ignored by a public that is aroused only by those abuses that take the form of hostile flag burnings. Highly selective official enforcement of flag-desecration laws, even if a constitutional amendment should be ratified, would continue to raise First Amendment issues.

The proposed flag-desecration amendment is but the latest of a series of exercises in constitutional frivolity that have diverted recent Congresses.●

OUTREACH TO THE SMALL AND DISADVANTAGED BUSINESS COMMUNITY

● Ms. MOSELEY-BRAUN. Mr. President, on September 21, 1995, I hosted a procurement fair, along with the Congressional Black Caucus Foundation, that I hope will help open up the economic activities of the Federal Government and private sector to small and disadvantaged businesses and entrepreneurs. I was extremely pleased to see nearly 80 Federal agencies and private corporations participate as exhibitors in the fair, providing hundreds of small business owners an opportunity to understand the rules governing Federal and private contracting, as well as how and where to look for contracting opportunities. This fair, modeled on an old-fashioned trade fair, will help bridge the gap that has existed between the small and disadvantaged business community and key procurement staff within the government and private sector.

The Department of Health and Human Services was one of many Federal agencies who shared important procurement information at the fair. I thank them for their participation and commend the Department of Health and Human Services on their active efforts to reach out to small, disadvantaged, and women-owned businesses.

Mr. President, I ask that the full text of remarks by Mr. John Callahan, Assistant Secretary for Management and Budget at the Department of Health and Human Services, be printed in the RECORD.

The text follows:

STATEMENT OF JOHN J. CALLAHAN

Honored Participants and Members of the Caucus:

Good Morning, I am John J. Callahan, Assistant Secretary for Management and Budget and Chief Financial Officer for the Department of Health and Human Services. I bring you greetings and well wishes from Secretary Shalala and Deputy Secretary Walter Broadnax for a most successful gathering. They would like to commend Senator Carol Moseley-Braun for her efforts in putting together this Federal Procurement Fair and Congressman Donald Payne as Chairman of

the Caucus during this 25th legislative forum weekend.

I would like to convey HHS' strong commitment to the participation of small businesses and small disadvantaged businesses in the work of our department. HHS has an outstanding record in this field, and has steadily increased the number of prime and subcontract awards being made to small businesses in general, and to small disadvantaged businesses in particular.

Our top staff who are here today, Ms. LaVarne Burton, our Deputy Assistant Secretary for Budget Policy Initiatives, and Mr. Verl Zanders, the head of the Department's OSDBU, made it a special point to insure that HHS maintains a strong commitment to the participation of small and disadvantaged businesses in the HHS federal acquisition process. Let me just give you a few highlights of our effort.

Our Office of Small and Disadvantaged Business Utilization establishes and maintains outreach programs to provide a flow of information about HHS' Small Business Programs to small, small disadvantaged, and women-owned businesses. OSDBU staff provided personal counseling and marketing assistance to over 2,500 interested small businesses during Fiscal Year 1994.

OSDBU also developed and distributed 8,000 copies of various publications designed to assist individuals and organizations in understanding our mission and programs of HHS.

In Fiscal Year 1994, HHS awarded approximately 41 percent (over $1.2 billion), of its total acquisition awards to small businesses; and of that amount approximately 13 percent (over $390 million) was awarded to small disadvantaged businesses. We think this is particularly noteworthy.

In addition, small disadvantaged businesses received approximately 8.2 percent ($31 million) of the total subcontracting dollars from prime contracts awarded by the Department.

Historically, HHS has exceeded all of the statutory goals for small business participation on a consistent basis.

These achievements are made possible because of broad institutional acceptance and support of these programs throughout the Department.

HHS remains committed to the development and expansion of acquisition opportunities which can, and will, encourage many more small businesses and small disadvantaged businesses to participate in our programs.

In short, we are proud to be a part of one of the best small and small disadvantaged business programs in government!

I would also like to remind everyone about the HHS exhibit table which is staffed by our Departmental small business experts who will have various printed materials and information on hand. Please take full advantage of this opportunity to learn ''How to do Business With the Department of Health and Human Services.''

Thank you.●

BETTING ON A LOSER

● Mr. SIMON. Mr. President, Kristina Ford, the executive director of the New Orleans City Planning Commission, had an op-ed piece in the New York Times about casino gambling in New Orleans. Because it touches on a subject that we have not seriously examined as a nation, I believe it merits the attention of my colleagues.

Let me remind you also that Senator LUGAR and I have a bill in to establish a commission to take an 18-month look at where we are and where we should go in this whole question of legalized gambling.

I ask that the article be printed in the RECORD.

The article follows:

[From the New York Times, Oct. 18, 1995]

BETTING ON A LOSER

(By Kristina Ford)

NEW ORLEANS.—In New York State, opposition to gambling has crumbled in the face of a budget that apparently is to be balanced by windfalls from games of chance. Keno is trumpeted as a solution to the state's $5 billion deficit, and both the tourist-hungry Catskills and Niagara Falls hope for casinos. Promises of prosperity have also paved the way for a casino in Bridgeport, Conn.

After the oil and gas industry largely abandoned the New Orleans area a decade ago, we heard similar stories, and we can offer advice to lawmakers who believe their fiscal problems can be solved by a roll of the dice.

This week, just five months after Harrah's opened a casino here, The New Orleans Times-Picayune characterized it as ''beleaguered.'' It is bringing in only a third of the projected $33 million monthly revenue.

The whole gaming experiment here has been disappointing. Two of our four riverboat gambling operations have failed and another is reported to be sinking. Casino operators are seeking waivers from city building regulations that were designed to preserve the historic French Quarter from gaudy marketing schemes more appropriate to the Las Vegas strip.

Two years ago, when the city planning commission asked casino operators what effects they predicted for New Orleans, they gave us revenue projections based on Harrah's experiences in Atlantic City, a city very different from ours in demographics and spirit. They also claimed there would be no limit to the demand for gambling, saying the proof was in the state of Mississippi, where riverboat profits were paying off their loans in 12 months and cities were reducing property taxes. (Seven of the Mississippi gambling boats have failed since then.)

Despite the assurances, we knew that legalized gambling is at best a crapshoot whose projected effects are most frequently stated in terms of anecdotes, cooked-up numbers and promises. The one clearly foreseeable result—families bankrupted by parents with uncontrollable urges to gamble—is often overlooked.

Public policy should not depend on who can fashion bigger promises but on how gambling will really effect a city. Yet as we debated the issue, it was impossible to get a clear picture of how it would transform civic life. Would it increase or decrease our considerable crime rate? What would be the effect on our poorest neighborhoods? How would it effect our essential tourist business?

So the city has instituted a five-year study to assess what gambling will do to our fiscal well-being and community life. We will study how the industry has affected other businesses, determine whether tourists perceive the city's attractions differently now and measure the consequences of gambling on families. Harrah's is paying for the research, but the work is being conducted by a consortium of local universities, which will make annual reports.

Arguments over casino regulation will dominate the City Council's agenda for years. Our study should give us reliable information for these debates. Should we permit restaurants in the casinos? Should we allow large billboards and flashing light displays in our downtown? With any luck, policy decisions will be based on something other than developers' promises and entrepreneurial baloney.

New York and Connecticut would be wise to pay attention to our experience and to establish their own commissions to measure performance against promises and to fight facts with facts.●

RETURN TO SOMALIA

● Mr. SIMON. Mr. President, the former U.S. Ambassador to Somalia, Frank Crigler, had an op-ed piece in the Washington Post on Somalia.

The first few paragraphs may have been written tongue-in-cheek. I am not sure. If not, Ambassador Crigler is wrong.

But the remaining three-fourths of his op-ed piece are correct.

When he talks about ''the Somalia disaster,'' if he is referring to what we did, there is no question that hundreds of thousands of lives were saved. I do not count that a disaster.

Some mistakes were made. We had a retired American military officer, acting for the United Nations, who made some decisions that probably looked correct from a military point of view, but would not have been made had he consulted with former Ambassador Robert Oakley. That decision resulted in the needless deaths of 19 American service personnel, 1 of whom we saw dragged through the streets on our television sets. The combination of this repulsive action, and our being there to help save lives, caused many in Congress to say that we should pull our troops out. In reality, in 1993, there were more cab drivers killed in New York City than American service personnel killed in Somalia.

Ambassador Crigler describes the Somalia action as ''George Bush's embarrassing last hurrah,'' my own guess is that history will view it as his finest hour. George Bush made the right decision, a courageous decision. Without that decision, many lives would have been lost, and the attitude in the Moslem nations of the world, would have hardened against the United States. They would have rightly sensed that if Somalia had been a white, Christian, or Jewish nation, the United States would have responded. Ambassador Crigler says that the Somalia action ''was Bill Clinton's first big foreign policy flop.'' There is some truth to that. It is difficult to move from Governor of Arkansas to become the most influential person in foreign policy, particularly if you have not been interested in foreign policy that much prior to this occasion. Had Bill Clinton been able to explain to the American people why we were there and that we were going to stay there for a while until some semblance of order was restored, the American people would have understood, and American leadership would have become more trusted in the world.

In terms of the three basic lessons that Ambassador Crigler mentions, he

is right on No. 1: ''Overwhelming military force can help to halt fighting, end suffering and save lives. Hundreds of thousands of lives, in fact.''

He is right on No. 2: ''You cannot do peacemaking unless you swallow the risk, go where the fighting is and dirty your shoes.'' One of the difficulties of our foreign policy right now is that there has been a real reluctance to recognize that risk-taking is part of leadership. You cannot maintain stability in the city of Chicago without having the police take risks, and you cannot maintain stability in the world without those in the Armed Forces also taking risks.

Lesson No. 3 is: ''Even overwhelming force cannot solve another people's political problems. They must do that for themselves.''

I do not question that, if it is properly understood, but it could be used as a reason for not acting responsibly in Bosnia, for example. No. 3 needs to be rephrased in order to be universally applicable.

I ask that the article by Ambassador Frank Crigler be printed in the RECORD.

The article follows:

[From the Washington Post, Oct. 15, 1995]

RETURN TO SOMALIA—IN A LAND AMERICANS WANT TO FORGET, SOME MODEST SIGNS OF SUCCESS

(By Frank Crigler)

BAIDOA, SOMALIA.—Last month, far away from this forlorn ''City of Death'' where anarchy and hunger had once claimed tens of thousands of lives, Gen. Colin Powell said some remarkably upbeat things about our military misadventures in Somalia. That Powell was willing to talk about the subject at all was newsworthy. Most people would just as soon forget the Somalia disaster.

For Republicans, Somalia was George Bush's embarrassing last hurrah; for Democrats, it was Bill Clinton's first big foreign policy flop. And for the average American, it was one more example of foolish leaders getting our fine young troops killed in places they never should have been sent.

But for Colin Powell, Somalia had been this nation's first grand attempt at humanitarian military intervention, and it taught some lessons worth remembering—some we might want to review as we debate sending our troops to Bosnia on yet another rescue mission.

Powell's argument, in a nutshell, is that we were right to answer the 911 fire alarm when the Somalis' house was burning down. But we should not have hung around afterward pretending to solve domestic squabbles we didn't understand.

''Where things went wrong is when we decided, the U.N. decided, that somehow we could tell the Somalians how they should live with each other. At that point we lost the bubble,'' Powell said in an interview with The Washington Post, offering an odd but apt description of the tragic sequel to Operation Restore Hope.

It's now been six months since the last U.N. peacekeeping troops retreated in frustration from Somalia. Almost all civilian relief agencies and non-governmental personnel left with them or soon after. Almost everyone predicted that without their help, Somalia would quickly sink back into its nightmarish misery.

Little was left to show for the enormous investment in time, money and human lives we and our allies had made trying to put this East African Humpty Dumpty back together. The country still lay in ruins, with no functioning government, no public services, no viable economy, no judicial system. The feuding clan warlords who had trashed it still ruled in their fiefdoms, unbowed and uncompromising, making and breaking alliances among themselves.

What surprised me when I returned here a few weeks ago, however, was that Somalia had refused to relapse into its earlier spasms of violence. Inexplicably, the truce U.S. Ambassador Robert Oakley compelled the feuding warlords to sign back in December 1992 (with the robust backing of nearly 30,000 heavily armed allied troops) generally seemed to be holding. People were not starving again. As Powell himself noted, ''There has been no image of swollen-bellied kids on our CNN screens [after all].''

Somalia Lesson No. 1: Overwhelming military force can help to halt fighting, end suffering and save lives. Hundreds of thousands of lives, in fact.

I wanted to see what was happening for myself, so when one of the warlords invited me to come take a look, I jumped at the chance. Five others—among them a respected U.S. historian, two clerical types looking for a responsible agency to distribute medical supplies from their parishioners and an American entrepreneur hoping to sell a telephone system—accepted his invitation as well, all of us willing to risk being ''used'' for public relations purposes in order to judge the state of things first-hand.

Our host was the most celebrated warlord of them all, a man with a PR problem to rival that of Attila the Hun: Gen. Mohamed Farah Aideed. But his people told us that ''President'' Aideed (his clan confederates had bestowed the title on him in June, shortly after the last U.N. peacekeepers fled) wanted to make a new start with Americans.

At the outset, anyway, Aideed's new Somalia seemed a lot like his old one. When en route to Africa, we'd heard reports that his heavily armed militia forces had captured Baidoa as part of a major new military offensive. Trapped there as virtual hostages were said to be 23 foreign relief workers (including five Americans) loosely affiliated with U.N. aid agencies.

Unanimously, our group determined that we were not going to let our visit be used to sanction hostage-taking, and we sent word ahead that we wouldn't budge from Nairobi until the United Nations itself assured us the relief workers were safe and sound. Soon a reply came back via the United Nations that everything had been sorted out and the ''hostages'' were free to go where they pleased. So we proceeded directly to Baidoa, hoping to help evacuate those who wished to leave and then get on with our own visit.

But there were no grateful relief workers in sight when we landed, no welcoming committee, no explanation. Instead, armed militiamen trundled us off to the general's field headquarters and dumped us without ceremony in the middle of a presidential Cabinet meeting. It was instantly apparent that a high-level debate was raging over what to do with the unfortunate relief workers, our friends from the United Nations—and now ourselves.

On one side of the debate were ranged an assortment of senior ''state security'' agents whose type I knew well from my previous service in Somalia (I realized I had not missed them one bit). The agents, we learned, had discovered evidence that some of the foreigners were suspiciously cozy with trouble-making dissidents in Baidoa. This group was urging Aideed not to release them until charges were thoroughly investigated.

Ranged on the other side were, let's say, an ''internationalist'' faction concerned about the embarrassment of yet another incident with the United Nations, particularly in the eyes of the distinguished guests who had just arrived. This group was urging a more statesman-like approach on Aideed, and we did what we could to reinforce their arguments.

With occasional concessions and much posturing, the debate ran on for two more days. In the end it was Aideed who stepped forward with a grand face-saving compromise, dismissed the rumors, released the detainees and even apologized to the United Nation and to us for the ''misunderstanding'' his overzealous security agents had caused. Maybe we were going to see a ''new'' Somalia after all!

As for us distinguished visitors, we felt we had validated another timely precept:

Somalia Lesson No. 2: You can't do peacemaking unless you swallow the risk, go where the fighting is and dirty your shoes.

As promised, Aideed made himself quite accessible, so we took advantage to question him more closely about his Baidoa offensive. He bridled when we used the word ''capture,'' however. He had only come to mediate a local clan dispute, he insisted, not to impose his rule or grab territory. There was no need to ''capture'' a town whose people had long ago joined his camp.

He pointed out, and we had to agree, that we had seen no signs of recent fighting in Baidoa and that its streets and shops were full of people peacefully going about their business.

He reminded us that he had spent most of the previous day and night in marathon meetings with local clan elders, working to untangle the strands of their dispute (the very one in which our relief workers were alleged to have meddled).

He also reminded us that we'd watched thousands cheer his promises of political peace, regional autonomy, a free market economy and multiparty elections at a rally staged to welcome him at the Baidoa soccer field. Did they look to us like ''captured people?'' he asked.

(We granted him these points, although I still suspect what we saw was more akin to Powell's doctrine of overwhelming military superiority: Deploy enough firepower, and even your bitterest enemies will turn out to cheer for you.)

With the ''hostage'' crisis resolved, our group was finally able to take the closer look we'd come for. In and around Baidoa, much of what we saw looked like the same old Somalia to me—battered buildings, broken-down trucks, burned-out warehouses.

But if you squinted just right, you could see some encouraging signs too: City streets were crowded, tea shops thriving, markets bustling. Goods seemed plentiful for those who could pay, and people seemed relaxed and friendly to outsiders.

Later, on the highway down to the coast, we found buses and trucks piled high with passengers coming from somewhere, merchandise going elsewhere. But we also saw more signs of serious fighting between two subclans whose dispute Aideed claimed he was attempting to resolve, and sensed more nervousness on the part of our escorts.

But in the agricultural heartland at Afgoi and along the Shebeli River, we passed sorghum fields carefully banked and plated, sesame and cotton growing tall, citrus for sale in heaps on the highway, barrels of ripe tomatoes on donkey carts bananas ripening, camels copulating and cattle fattening for shipment to Red Sea butcher shops.

And in Mogadishu at last (where some areas were still ''off limits''), we pushed through incredible traffic jams and ate at crowed restaurants. Ships were loading bananas in the port. The central market was

teeming, protected by its own private police force. The Somali shilling was trading at stable rates—with no protection at all. And a half-dozen crude newspapers were circulating freely.

Most hopeful of all, we saw practically no guns on the street and heard almost none at night. Disarmament, the elusive goal of American and U.N. peacekeepers, finally seemed to be occurring in their absence, perhaps spontaneously.

To be sure, the only schools operating were Koranic schools. The only regularly scheduled air service carried bales of khat, the Somalis' narcotic of choice. The only telephones were satellite links. The only electricity came from noisy private generators, though it was often shared among neighbors. The only water came from private wells, and there wasn't much of it.

Hospitals were dismal and might as well have been closed. Drugs cost a fortune. Rubble and wreckage still choked the streets. Some buildings had been cleaned up windows replaced and shell holes patched, but we saw little major renovation. And the big problem on everyone's mind was how to create jobs for the youngsters who'd gone to war instead of to school. In a word, there was more poverty than progress in Aideed's ''new'' Somalia—but at least no one seemed to be starving.

Was this just a ''show'' for foreign guests, as several Aideed critics whispered to us? Or were Somalis themselves finally putting their nation and their political system back together again, absent our help?

As Powell observed of the people here: ''They had been solving their political problems for a thousand years before Jeffersonian democracy came upon the scene.''

Somalia Lesson No. 3: Even overwhelming force can't solve another people's political problems. They must do that for themselves.

When we lunched with Aideed one afternoon before leaving Baidoa, I read him some excerpts from The Post's interview with his old adversary. He was fascinated. It was no surprise that he agreed with Powell's central point: We should have stopped while we were ahead.

But what bothered Aideed wasn't so much our arrogance as our ignorance. ''I think if Americans had tried to understand our system, our traditions, our history, our way of life before sending troops and experts into Somalia to change everything,'' he reflected, ''we would still be close friends.''

Perhaps. But it was fortunate for Somalia that Americans hurried to lend a helping hand, even as we were slow to understand how a nation can collapse in turmoil and misery. Had we delayed our intervention until we ''understood'' the conflict's root causes, many thousands more would have died and clan warfare might yet be raging.

Gen. Powell would probably agree.●

HEAD-IN-THE-SAND FOREIGN POLICY

● Mr. SIMON. Mr. President, the Washington Post on Monday, October 16, 1995, ran a column by Jessica Mathews that is absolutely on target.

My colleagues have heard me speak before about the need for a more responsible foreign policy.

I thought it was particularly fascinating to note the quotation in the Jessica Mathews column that it costs $600 million less to run the United Nations than it does the New York City police department.

How foolish we are to fail to do what we should in support of a more enlightened and responsible international policy.

I ask that the Jessica Mathews column be printed in the RECORD at this point, and I urge my colleagues to read it.

The column follows:

HEAD-IN-THE-SAND FOREIGN POLICY

(By Jessica Mathews)

A dispassionate foreign observer of Congress's budget choices would have to conclude that Americans' only international aspiration is to be global policemen. Or, to be scrupulously fair, policeman with a handout for refugees and the most wretched victims of disaster.

That isn't what Americans want, but its' what—unless drastic adjustments are made in the next few weeks of bargaining—they're going to get. In both the House and Senate versions of next year's budget every means of keeping the peace short of military action and every other cost of international leadership or national self-interest—political, economic, environmental, humanitarian—is stripped to near or below the minimum while more money than the Pentagon thinks it can usefully spend is crammed down it throat.

In round numbers, Congress has added $7 billion to a $220 billion military total that already dwarfs what all of the rest of the world outside NATO spends on defense. Meanwhile, in the name of deficit reduction, it is planning to cut $3 billion to $4 billion from all other international spending. That may not sound like much but it amounts to 15 percent to 20 percent of the $20 billion total in international affairs spending and includes reductions for most international agencies of 25 percent to 60 percent.

The cuts mean that U.S. embassies and consulates will close when a globalizing economy and more independent countries mean that more should be opening. They translate into fewer foreign service officers, hamstrung diplomacy and less of the most cost-efficient means of intelligence gathering. They mean long lines and poor services for Americans at home and abroad. All of that is tolerable, if neither sensible nor necessary, given defense increases.

What will really hurt American interests—indeed already has—are the cuts to the United Nations, the World Bank's fund for the poorest countries and the host of small international agencies that provide hundreds of services Americans need and value and underpin agreements that both parties have spent years of tough negotiating to achieve.

Where the cuts are in dues for which the United States is legally committed, as are its U.N. dues, the cost will be measured in an unraveling of international law not limited to finances. If the United States can renege on its funding obligations why can't X on Y (fill in the country and topic of your choice)?

Even where the cuts are in voluntary contributions, the result of a U.S. pull back from the international community along a front that reaches from peacekeeping to environmental protection will be a declining interest on the part of other countries in supporting U.S. initiatives. That will fuel further disenchantment in the United States etc., with results that no one wants.

The cycle has already begun. The United States owes the U.N. $1.5 billion, a debt that threatens to tip that institution into insolvency. The U.N. is limping along by not paying what it owes to contractors and to countries that supply its peacekeeping troops. In effect, the likes of Pakistan and Bangladesh are covering our bad check.

Congress wants to see organizational reforms at the U.N. before it will consider even a partial payment. But for the rest of the world, the No. 1 item on the agenda is that a country that can afford to do so does not pay its dues year after year. As Britain's foreign secretary remarked to an appreciative audience, the United States seems to want ''representation without taxation.''

Part of what has brought us to this sorry pass is too many years of cheap shot—and now almost obligatory—political rhetoric that has inflated the self-evident need for U.N. reform into a problem of unrecognizable dimensions in the minds of most Americans. Even while defending the U.N., U.S. Ambassador Madeline Albright called it ''elephantine.'' It took Australia's Gareth Evans to provide some perspective by pointing out that the U.N.'s secretariat and core functions (in New York, Geneva, Vienna, Nairobi and the Hague) cost $600 million less than the New York City Police Department. Adding the development, environment and population agencies, the huge refugee operation, UNICEF and others, the total is still less than Congress's defense add-on.

Having launched a last-minute effort to reduce U.N. funds and the rest of the international affairs budget, the administration is battling a sentiment it helped create by blaming the United Nations for its own mistakes in Somalia and Bosnia, and an attitude on the part of congressional freshmen for which the politest description is a profound and willful ignorance of America's role in the world, its obligations, its interests and what it takes to meet them.

However long it takes, this struggle deserves attention and public support. No American doubts the need for a superlative military. But it should be obvious by now that the best-armed force in the world cannot meet more than a fraction of the threats of the post-Cold War world nor help seize most of its opportunities. An America served by a rich military budget and impoverished funding for every other international function will be a country both poorer and less secure than it should be.●

ALL BETTER NOW

● Mr. SIMON. Mr. President, a longtime friend who headed my Illinois operation for many years and still is associated with me, Jerry Sinclair, once again showed why he is a valuable friend by sending a column that appeared in World Business in their September–October 1995 issue.

It deals with the Canadian health care system written by Diane Francis, the editor of Canada's foremost business newspaper, the Financial Post. It views things from a business perspective. She is the author of five books on business.

Ms. Francis spells out very clearly why the Canadian health care system is far superior to the United States system.

The propaganda spread against the Canadian system here in the United States by those who profit from the present system terribly distorts what the Canadians have. This column helps to balance that.

I would add, in the last poll I saw of Canadian citizens, exactly 3 percent of them said they would prefer the United States system of health care to theirs. That does not, as this column points out, suggest there are no problems with the Canadian system. But they deliver superior health care to their

citizens. We spend more and do a worse job.

Ms. Francis quotes a Peat Marwick 1995 study titled, ''A Comparison of Business Costs in Canada and the United States.''

Listen to this analysis: ''Costs of hospitals, surgical, medical, and major medical insurance premiums are the prime reason for the difference in costs. These insurance premiums represent a cost of 8.2 percent of gross pay in the United States compared with 1.0 percent in Canada.''

American businesses who, frankly, fell down on the job, when they should have been backing the Clinton plan, ought to be taking a good look at what is happening in Canada.

I ask unanimous consent that the Diane Francis column be printed in the CONGRESSIONAL RECORD at this point.

The column follows:

ALL BETTER NOW

Among the health care systems of the world's wealthiest industrialized countries, the United States' is the most expensive; even worse, it fails to provide health care for all Americans. Canada, on the other hand, provides excellent, comprehensive coverage to all of its citizens. Its system, administered jointly by the federal government and the twelve provincial governments, provides Canadian business with an enormous competitive advantage. And yet vested interest in the United States—including doctors, privately owned health care facilities, and insurance companies—have lobbied against government systems such as Canada's. They say that Canadians must wait months for procedures. This is simply not the case. They would also have Americans believe that Canadian hospitals are second-rate, and that Canadian physicians are poorly trained. These are also not so.

The same type of lobbying took place in Canada in the late 1960s, when the government-run plan was first implemented. It is interesting to note that Vice President Al Gore became a fan of Canada's health system after his seriously brain-injured son was successfully operated on in Toronto by one of the world's best neurosurgical pediatrics teams.

A look at the facts leaves little doubt that the Canadian system is superior. An average of 6.3 out of every 1,000 babies born die before the age of 1 in Canada, as opposed to 8.3 in the United States. Life expectancies in Canada are 81 years for women and 74.5 for men, compared with 78.9 and 72.1 years, respectively, in the United States. Yet the Organization for Economic Cooperation and Development, an international monitoring group, reports that while Canada spends just 10.2 percent of its gross domestic product on health care services for all its citizens, the United States spends 14.1 percent and still has millions of citizens with inadequate or nonexistent coverage.

It isn't just the individual that benefits from Canada's comprehensive health program. The Canadian system affords business many advantages, including reduced employee costs and an expanded, healthier labor pool. According to a March 1995 study by KPMG Peat Marwick called ''A Comparison of Business Costs in Canada and the United States,'' Canadian employers spend less on employer-sponsored benefits than their American counterparts. ''Costs for hospital, surgical, medical and major medical insurance premiums are the prime reason for the difference in costs,'' the study says. ''These insurance premiums represent a cost of 8.2% of gross pay in the United States compared with 1.0% in Canada.''

Unlike in the United States, Canadian health coverage is not tied to welfare benefits; unskilled workers can take low-paying entry-level jobs without fear of losing access to government-paid health care. This removes the possibility of creating an entrenched underclass with health problems who are handcuffed to welfare because of medical-cost issues.

Businesses in Canada are also able to hire workers regardless of their health history. This is particularly important when it comes to using the talents and efforts of senior citizens, or people with chronic illnesses. Canadian workers aren't trapped in dead-end or unsatisfactory jobs because they are afraid of losing company-provided health benefits.

Reduced labor costs are not the only corporate benefit of the Canadian system. Individuals rarely file the type of high-stakes personal injury lawsuits commonly seen in the United States. Because all citizens are guaranteed quality medical care, catastrophic medical expenses, generally the largest component of a settlement, are usually not sought when such suits are filed. In the United States, product liability insurance converge costs corporations upwards of $500 million a year, and the premiums are growing by 20 percent to 30 percent annually. Insurance costs are dramatically lower in Canada—unless a manufacturer is exporting to the United States.

Canada's government-run workers' compensation plan is managed by the provincial governments, in contrast to the patchwork quilt of private and public systems at various levels of government in the United States. The workers' compensation premium for a Canadian autoworker in London, Ontario, is 4.56-percent of his or her wages; for an American autoworker in Minneapolis, it is 9.07 percent, according to the KPMG comparative report.

Business should be free to conduct business, and in Canada this is so. There is no need for every company to have personnel employed just to handle the paper burden of private-sector workers' compensation or health care.

Canada's systems is not perfect; nor is Canadian business able to outcompete American business at every turn as a result of cradle-to-grave medical care for its population. But the advantages to citizen and business alike are very real. And as American health care costs outpace economic growth and the country's population ages, a dose of Canadian medicine may cure what ails it. Failing that, the United States' system will make its insured workers increasingly expensive to employ and its uninsured workers increasingly unable to afford proper health care.

Diane Francis is editor of Canada's foremost business newspaper, The Financial Post, and the author of five books on business. She also writes a monthly column for Maclean's, Canada's national news magazine.●

RACIAL HARMONY IS CONTACT SPORT FOR ILLINI COACH

● Mr. SIMON. Mr. President, Recently, the Wall Street Journal had an article that deals with sports; but much more important than that, it deals with where we are in our society and what one enlightened leader, Coach Lou Tepper, is doing to bridge the gap that exists between people in our society.

The leadership he is showing on this is leadership that should provide an example to coaches all over the country, not simply to coaches but to schools, churches, civic organizations, and many other groups.

I ask unanimous consent that the Wall Street Journal article by Frederick C. Klein be printed in the RECORD.

The article follows:

[From the Wall Street Journal, Oct. 13, 1995]

RACIAL HARMONY IS CONTACT SPORT FOR ILLINI COACH

(By Frederick C. Klein)

CHAMPAIGN, IL.—By now, I think, most people have come to understand that the interracial harmony they see on fields of play is more apparent than real. Black and white teammates may exchange high-fives or even hugs to celebrate moments of triumph, but once the games are over they go their separate ways, in keeping with the patterns of the society as a whole.

Mention race relations to people in sports in any capacity, and the likely response is a shrug. Few volunteer to discuss the subject, and when it does come up it's quickly brushed off. The unspoken but clear consensus is that teams exist to win games, and what their members do on their own time is their own business.

There is, however, at least one exception to this rule. Lou Tepper, the head football coach at the University of Illinois in this city amid the cornfields 150 miles south of Chicago, believes that as long as young men must get along on the gridiron in order to succeed, it'd be a shame if they didn't get to know one another better in other ways. He's made racial integration a part of his program, requiring his players to promise to get to know teammates of the other race and putting them in situations that promote such contact.

''This is a university, and I'm here as an educator,'' he says. ''I think there ought to be more to the sports experience than what appears in the box scores.''

Lest anyone get the impression that the earnest, bespectacled Mr. Tepper is insufficiently concerned with X's and O's—a high crime in big-time-college-coaching circles—he's quick to set them straight. His record is 21–19–1. He puts in the 100-hour weeks that are standard at his level of his profession, and goes around honorably bleary-eyed from his scrutiny of game films. He tells a recent visitor that the only reason he has time for more than a quick chat about next Saturday Illinois foe is that, on the week in question, there was none, his team having that Saturday off.

That said, however, he became more expansive. ''Maybe I come at coaching from a different perspective than some people,'' he remarked. ''Maybe I come at life that way, too.''

That life began 50 years ago in Keystone, PA., a hamlet 50 miles south of, and, maybe, 30 years behind, Pittsburgh. Sixty-one people lived in Keystone at the time, and 31 of them were his relatives. His father, whose education ended with the eighth grade, was a janitor, and his family lived on and worked a plot of land he calls ''too small to be a farm but too big to be a garden.''

On his first day at the area's consolidated high school, an hour's bus ride from his home, he learned what it was like to be an outsider. ''I found out quick I was a bumpkin,'' he says. ''I talked and dressed different from the other kids. I smelled different, too; that happens when you start your day feeding pigs and chickens. Being an athlete helped me gain acceptance, but I've never forgotten how it felt to be an object of prejudice.''

Mr. Tepper says that feeling drew him close to the blacks he met while attending Rutgers University on a football scholarship. His determination to bridge racial gaps, fed in part by his active Christianity, grew during the 24 years he spent as an assistant coach at a half-dozen schools before Illinois promoted him to head coach from defensive coordinator in late 1991. ''My wife, Karen, and I told ourselves that if I ever got a top job, we'd make it reflect our views about how people should be treated,'' he says.

Those views are contained in a ''mission statement'' that's sent to everyone Illinois recruits for football. One of its provisions is a ''family concept'' that asks team members to treat each other with ''love and discipline.'' In case anyone misses the point, Mr. Tepper tells them it especially applies white-to-black and vice versa, and requires the lads to pledge to do that before they sign scholarship papers. The school has lost several recruits as a result. ''I've had whites balk [at the pledge], but never a black,'' the coach notes.

Players quickly get the chance to prove their words. Seats at all team meetings are assigned on a black-white-black-white basis. Room assignments for summer practice before classes start, and for team road trips, are made the same way. The process is facilitated by the fact that the team is almost 50-50 white and black.

Thursday team dinners in season are designated as ''Unity Nights,'' and players are encouraged to eat next to ones they don't know well. Players joke that this can mean that defensive players sit next to members of the offense, but the dinners also are occasions for interracial fraternizing.

Some of the ties fostered in those ways have flowered in others: Several whites and blacks on the team now are full-time roomies, and interracial team parties, the exception in pre-Tepper days, have become the rule.

Team members admit their white-black relationships are, mostly, no more than skin deep; ''serious'' racial issues, such as the O.J. Simpson trial, go undiscussed. ''We like to keep things light,'' says Chris Koerwitz, an offensive lineman from Oshkosh, Wis. But while most of the Fighting Illini continue to take their ease with others of their race, it's with the knowledge that it could be otherwise.

''You might say I was prejudiced before. I knew very few black people, and accepted the negative things white people say about them,'' says Paul Marshall, a defensive lineman from almost-all-white Naperville, Ill. ''Here, I've seen that the negatives aren't true, and that, given the chance, guys want to be friendly.''

''Yeah, I signed coach's pledge, but I thought it was just recruiting stuff. Then I got here and, right away, I had this white guy for a roommate,'' says David James, a linebacker from almost-all-black East St. Louis, Ill. ''It wasn't so bad,'' he smiles. ''I played some rap for him and he played some Van Halen for me. We still do it sometimes.''

AID FOR THE WORLD'S POOREST

• Mr. SIMON. Mr. President, one of the most shortsighted things we can do is to cut back on our foreign assistance, which is already far behind what other Western nations do in terms of the percentage of our budget and in terms of the precentage of our national income.

The New York Times had an excellent editorial titled, ''Aid for the World's Poorest.''

I ask unanimous consent that the editorial be printed in the RECORD.

The editorial follows:

AID FOR THE WORLD'S POOREST

The new Republican majority in Congress wants to eliminate government services that private markets could also provide. Yet it has aimed its budget knife at a valuable program—economic aid to the world's poorest countries—that could not possibly survive without Federal funds. Drastic cuts approved by the House and Senate threaten to grind dreadfully poor people into deeper poverty.

Under President Bush's leadership, the United States committed itself to contributing about $1.3 billion next year to the International Development Association, an affiliate of the World Bank that provides very-low-interest loans to poor countries. As part of its deficit reduction program, the House and Senate want to renege on that commitment and reduce the contribution to between $577 million, the House figure, and $775 million, the Senate's figure.

Neither figure makes fiscal or ethical sense. The I.D.A. loan program is cost-effective. Every dollar in American contributions leads to $4 or $5 more in contributions from other industrialized countries. To save a few hundred million out of a $10 billion-plus foreign aid budget, Congress would trigger a $3 billion reduction in I.D.A. loans.

The loan program is also politically effective. By inviting poor countries to open their economies to trade and adopt market reforms, I.D.A. loans are a cheap way for Congress to spread capitalism. The program's multilateral nature insulates recipient countries from pressures to warp their economic programs to suit the narrow export interests of individual donors. I.D.A. programs worked well in Korea, Thailand, Turkey and Indonesia. They are working well in Ghana and Bolivia.

Critics of the I.D.A. say that third-world countries would become more prosperous more rapidly if they relief more on private capital and far less on World Bank handouts. This criticism applied, at least until recently, to World Bank loans for dams and other infrastructure projects. As the new president of the World Bank concedes, private capital markets are willing and able to extend such loans. But private investors will not bail out sub-Saharan Africa and other economic disasters. Over 70 percent of private lending to developing nations goes to fewer than a dozen countries. Sub-Saharan Africa claims only 2 percent.

The I.D.A., not private capital, fights the spread of AIDS. The I.D.A. helps pay for schools. The I.D.A. finances women's health and childhood nutrition programs. The World Bank has shifted its priorities from investing in concrete to investing in people. No one else can take on this role. Do American taxpayers really prefer to save themselves about $2 a year rather than leading the world to help those eking out an existence on less than $2 a day?•

AFFIRMATIVE ACTION IS AS ''AMERICAN AS THE CONSTITUTION''

• Mr. SIMON. Mr. President, as my colleagues know, I believe that affirmative action is a very good thing for our country; even though, like any good thing, it can be abused.

Prof. Steven Lubet of Northwestern University had an interesting article that points out that affirmative action is part of the U.S. Constitution.

My colleagues, who may be startled at that bit of information, will find the Steven Lubet article of interest.

I ask unanimous consent that the article be printed in the RECORD.

The article follows:

AFFIRMATIVE ACTION IS AS ''AMERICAN AS THE CONSTITUTION''

(By Steven Lubet)

Opponents of affirmative action say the idea is contrary to basic American principles because it unfairly disadvantages blameless individuals, needlessly emphasizes group rights and enshrines an ethic of victimization. Affirmative action, they say, is a failed experiment from the despised '60s.

The real truth, however, is that affirmative action originated in the '80s. Not the 1980s, but the 1780s—1789, to be exact. Here is what the United States Constitution (Article I, Section 3) says about affirmative action: ''The Senate of the United States shall be composed of two senators from each state.'' That's affirmative action—in fact, a quota system—for small states. There is no denying that the framers designed the Senate to protect group rights, notwithstanding any disadvantage to blameless individuals, and all on a theory of possible victimization. While any specific instance of affirmative action may be unnecessary or ill-advised, the concept has been with us from the beginning.

The size of a state's delegation in the House of Representatives is determined on the basis of population, in keeping with the democratic principles articulated in the Declaration of Independence. In the Senate, however, small states are given special treatment. They are afforded representation far out of proportion to population, to ensure that they will not be victimized, oppressed or subjected to discrimination by the majority.

There is no clearer example in our history of institutionalized group rights. Based upon accidents of birth and geography, the citizens of small states, such as Delaware and Maine, enjoyed the benefits of a quota system that made their political influence comparable to that of New York and Virginia, the giants of the time. In the 1990s, the same quota operates to the advantage of Alaska (one senator per 300,000 citizens) and to the detriment of California (one senator per 15,000,000 citizens). Is it unfair to count the vote of an Alaskan at 50 times the vote of an Californian? Sure it is, but we have become so inured to the Senate that it just seems natural.

That's our system. That's the way it works. And so it is; but it is also group-based affirmative action.

We are all familiar with the original arguments in favor of the Senate. One concern was that the interests of small states would not be respected in a Congress constituted strictly on the basis of population. Another consideration was the need to protect minorities (primarily meaning political minorities) from the temporary passions of transient majorities. And after more than 200 years, there is far-reaching agreement that the Senate has well served its intended functions. State-based affirmative action has worked according to plan.

So let's compare the establishment of the Senate to current programs of race-based affirmative action. To be sure, the parallel is inexact, but certain principles do overlap. In 1789, the small states feared the possibility of future discrimination under the newly-proposed Constitution. They were not willing to accept promises of benevolence or paternalism, but insisted on structural protection even at the cost of proportional democracy.

Today, racial minorities and women fear not only the hypothetical possibility of discrimination, but the persistence of a proven historical fact. They, too, decline to trust benign intentions and demand a structural

remedy. A requirement of special treatment or attention to women and minorities similarly assures that they will be protected from the ''passions'' of today's majority, which, in the case of upper-level decision-makers, still consists overwhelmingly of white males.

It is true that the non-proportional Senate came about as the result of a political compromise. The small states extracted it as the price of their acceptance of the new national government. They had the right to withhold ratification of any constitution that did not satisfy their perceived needs.

Today's minorities, African-Americans in particular, do not have that power. Their ancestors were brought here involuntarily, without the ability to agree or disagree with the political or economic system. Certainly, though, there must be something about democracy that prevents us from saying that affirmative action was a one-time-only phenomenon, imposed only at the insistence of certain framers and never to be repeated for the benefit of future minorities. To accept that argument would transform constitutionalism from an enduring philosophy into little more than an 18th Century version of ''Let's Make a Deal.''

I do not want to make too much of this analogy. Many recent efforts at affirmative action have been ineffective or counter-productive. The wisdom or appropriateness of any particular program ought to be subject to continuous review. But when Sens. Orrin Hatch (R-Utah) or Alan Simpson (R-Wyo.) inveigh against affirmative action, they ought to do so with some sense of humility, if not irony. After all, they owe their Senate seats to affirmative action's first appearance in our national life.

It is simply wrong to say that affirmative action—as a tool for achieving political equity—is out of place in the American system. To the contrary, it is as American as the Constitution.●

SYMPOSIUM: UNITED STATES POLICY TOWARD IRAN: FROM CONTAINMENT TO RELENTLESS PURSUIT?

● Mr. SIMON. Mr. President, I am sure I know less about what is taking place in Iran than some members of the Senate. I have followed the news, but I have not tried to become as knowledgeable about Iran as I am some areas of Africa and other areas of the world. I read about a symposium in the publication Middle East Policy in which Ellen Laipson, Director of Near East and South East Affairs from the National Security Council, discusses the Iran situation with Prof. Gary Sick of Columbia University, and Prof. Richard Cottam of the University of Pittsburgh.

Ms. Laipson gives an administrational line on what is taking place in Iran. But coming from a base of limited understanding, it appears to me that Gary Sick and Richard Cottam make a great deal of sense. What I kept thinking, as I read the discussion, was that our attitude toward Iran is very similar to our attitude toward Cuba. There is no question that our Cuban policy has been counterproductive, appealing to the national passion rather than the national interest. I have the uneasy feeling that our policy toward Iran is the same.

I ask unanimous consent that their discussion be printed in the RECORD at this point and urge my colleagues to particularly read the discussion by Professor Sick and Professor Cottam.

The material follows:

SYMPOSIUM: U.S. POLICY TOWARD IRAN: FROM CONTAINMENT TO RELENTLESS PURSUIT?

(By Ellen Laipson, Gary Sick, Richard Cottam)

ELLEN LAIPSON, DIRECTOR OF NEAR EAST AND SOUTH ASIAN AFFAIRS FOR THE NATIONAL SECURITY COUNCIL

It will come as no surprise that Iran has been a major challenge for the Clinton administration's foreign policy. Today's forum is well-timed, because it gives us a chance to review the recent debate over the policy and the changes that the president announced just about a month ago. I welcome the chance to discuss this important issue and hear your views as well, and to be able to bring those ideas back to the debate that we have within the government.

We all recognize the importance of Iran in the Middle East region—the complexity of its society, the richness of its cultural traditions, and the very troubled history of U.S.-Iran relations in recent years. I think no one would disagree with the proposition that the last decade and a half has been a difficult time in the relationship between Iran and the United States. But it is our view that the situation we're in today does derive from the conditions in the region and from our efforts to protect our critical interests there.

I will divide my remarks into three simple questions. First, what is the policy? Second, why did the president make the changes that were announced on April 30? And, lastly, where do we go from here?

To give you the current state of play in the policy, it's important to note that our approach focuses on Iran's actions—not the nature of the regime, not what they call themselves, not the Islamic character of the regime, but the specific actions that we have observed the Iranian government get involved in. These include, first and foremost, their involvement in terrorism, particularly that which undermines the peace process in the Middle East—and their pursuit of weapons of mass destruction. In addition, we focus a lot of our concern on their efforts to subvert friendly governments in the region, their unfortunate human-rights record, and their conventional arms buildup which could, if realized, pose real threats to small Persian Gulf states that are friends of the United States.

At the same time, we also have to focus on the long-term challenge from Iran—not just the actions of today, but the potential, the capability that Iran could have, if it were to fulfill its ambitions, particularly in the weapons area. We are not trying to argue that today Iran poses a major military threat to the United States, but we are working to prevent it from doing so. We are looking at Iran's ambitions and intentions, not just its current military capabilities.

The policy is trying to capture, on the one hand, our efforts to address Iran's behavior today and, on the other hand, to develop a strategy that tries to anticipate a future Iran that would be a stronger and more formidable player in the region. Our approach combines pressure with other measures. We are trying to give Iran's leadership a chance to make a strategic choice. They could change their policies in order to serve Iran's interests, which we believe are fundamentally, among other things, economic growth and political stability. We think that Iran's government has the chance to adapt its behavior in ways that would make it conform more with international norms.

There has been no change in our policy on the question of a dialogue. We are still willing to engage in a dialogue with authoritative representatives of the Iranian government. We believe that pressure and dialogue can go together. This would be normal. By the rules of diplomacy, it would be possible to have both.

Let me give you a little more detail on what the pressure tactics involve, since they have recently changed. The policy of containment, which was declared when the Clinton administration first came to office, involves a comprehensive series of unilateral measures and a series of multilateral efforts as well. Until recently, the dimensions of our economic policy towards Iran consisted of an arms ban, a ban on dual-use technologies, a total import ban on Iranian products coming into this country, controls on certain items for export to Iran, and a diplomatic position of blocking all lending to Iran from international financial institutions.

After four to five months of internal debate, the president announced on April 30, and signed on May 6, an executive order that is an important reinforcement or strengthening of our policy towards Iran. He announced that, from now on, we will prohibit all trade, financing, loans and financial services to Iran. We will ban U.S. companies from purchasing Iranian oil overseas, even if it is for resale overseas. And new investment by American companies in Iran is prohibited. The president's executive order also bans their re-export to Iran from third countries of those goods or technologies that are on controlled lists for direct export from the United States to Iran. In addition, it prohibits U.S. persons and companies from approving or facilitating transactions with Iran by their affiliates.

The executive order does not have exterritorial application to foreign subsidiaries of U.S. companies. It does not ban the import of informational materials from Iran. And it does not block Iranian assets or ban private remittances to and from Iran by private Iranian nationals.

As you can see, these are very strong, but not total, economic measures. They form part, but not all, of our policy effort *vis-á-vis* Iran. The economic pressure, in a way, has to be seen in both the political and diplomatic context that is our overall policy. We are working and will continue to work hard multilaterally to make sure that the arms ban, the limits on credit and aid, the ban on support for Iran from international financial institutions, and cooperation with Iran in nuclear matters continue. We have enjoyed, up until now, what we consider to be good support from most of the advanced Western countries in these areas, and we would like to see more.

We initially worked within the G–7 context. But as you know, in the past year, we have expanded our diplomatic efforts to include Russia, China and all other potential suppliers to Iran of these high-technology and weapons-related items.

President Clinton and President Yeltsin last summer announced an agreement that would involve the future ban of all Russian arms sales to Iran. I think you will see more of these kinds of agreements with others of Iran's would-be suppliers.

We also have political talks with out major allies, both in the West and in the Middle East, about Iran. These political talks, in and of themselves, form a kind of pressure because Iran is very aware of these discussions, and that we are sharing information about our concerns over Iranian behavior in these discussions. We hold the talks with the European Union, with Canada, with Japan, with Russia, with most of our Middle Eastern allies.

In these talks, we discuss the merits of our approach—an approach of economic pressure, and the approach of our allies. Some of our allies prefer critical dialogue, which is the formula that the European Union uses. Some prefer constructive engagement, which is, I think, how the Japanese would characterize their policy. And others would use other formulas to describe their approach to Iran. It is true that we all continue to believe that there's room for some disagreement over what is the best approach to Iran. But we are of the view that the president's recent measures have very much caught the attention of our allies and will create a new dynamic in our discussion on this important topic.

We also share our concerns about the long-term threat that Iran could pose if it achieved both its conventional and its non-conventional military objectives—the threat that it would pose to the Persian Gulf countries, and to the region as a whole. I believe the Middle Eastern allies, in particular, see the American military presence in the Gulf—which most recently has been in response to Iraqi aggression—as helpful to sending a deterrent message to Iran.

Let me address why the change. The Clinton administration began a review in the fall of last year that, in some ways, was a very thoughtful assessment as we approached the midpoint of the presidential term. We thought it was a natural time to do an assessment of what has worked and what hasn't, where the policy can be refined, where it can be improved or enhanced.

We examined how Iran has responded to American policy until now and whether Iran's behavior had changed in the areas that we had expressed greatest concern about. We identified that, while in some areas Iran's behavior was more or less as it had been a few years ago, in certain areas, we thought it had worsened. In particular, we believe that the rise in terrorism against the Middle East peace process that began in the fall of 1994 has some links to Iran, and is deeply disturbing to one of our principal objectives, not only in the region, but worldwide: the achievement of a comprehensive peace between Israel and its neighbors.

We also saw continuing and, in some ways, accelerating signs of Iran's efforts to procure the materials and technology needed for a weapons-of-mass-destruction program. So, in those two key areas, it was our judgment that the situation was in fact getting worse and required some new policy responses.

Second, I would cite, as a reason for the change, the increasing challenge from our allies. They saw and told us that they saw an inconsistency between our containment policy and the fact that we continue to trade with Iran. That charge—even if based on a misleading use of trade statistics—was harmful to our efforts to maximize the consensus among Western partners that we consider to be a key part of our overall policy success. We feel strongly that Iran should hear to the maximum extent possible, the same signal from the United States that it hears from its other Western trading partners. This would have the greatest impact of the calculation that Iran needs to make about how its economic interests are affected by its own policy choices.

Third, and more recently, we did witness some erosion in the domestic consensus that we have enjoyed over our Iran policy. We saw a domestic debate, initiated here in the halls of Congress, over the need to pursue a tougher policy towards Iran. Until now, I would say that we have enjoyed considerable domestic support for containment, and we wanted to restore that degree of support. It was our view that an unresolved debate, questioning whether the policy was effective enough, would limit our effectiveness in communicating with Iran.

The administration conducted a thorough review of the policy options, and they were debated with some vigor among both the national-security agencies and the economic-policy factors within the U.S. government. We tried to balance a complex and, I think, difficult set of considerations. We asked ourselves, how would new economic measures, new sanctions, affect Iran's behavior? Would they affect the Iranian government or the Iranian people? How would they affect American competitiveness and American jobs, and how would they affect the willingness of our allies to work with us in a coordinated fashion on the Iran problem?

It is true that no one of the options that we considered would maximize all of these factors. There were trade-offs. There were policy options that made some of these issues easier and some harder. But we took them all into account.

Let me just end with what we see as the next steps. We do not exaggerate our chances for any quick success on the dramatic announcement the President made on April 30. We don't have any illusions that, overnight, Iran will stand up and publicly say that it is changing its behavior. But we do see a number of important signs already. We know that the President's announcement has had an impact on Iran. And I think those of you who follow the currency market are well aware of the dramatic fall in the value of the rial since the President's announcement. We know that we have the attention of the Rafsanjani government—witness his invitation to prominent American media to try to explain the government's side of the story, denying charges of terrorism, denying that there is a weapons program, etc. To me, this very much manifests the Iranian government's concern with the perception of its behavior that the President's announcement has evoked.

We think this is a process, an ongoing process that will require a lot of diplomatic engagement, a lot of hard work, and we are certainly aware that it has had some costs to various interests. We will have to measure our success in careful ways. We will continue to look for the supplier restraint that we have already created, to a certain extent, and for some other indicators. Will Iran need to think hard about the trade-offs between what it wants economically and its political behavior? We certainly hope so. Will the allies accept, now, the firmness of our resolve and our commitment to a containment policy? Will the allies join us in similar measures? We hope and expect to see more restraints in aid to Iran—loans, credits—and hopefully more political convergence in our overall approaches.

We are doing a number of things. There are intensive diplomatic efforts leading up to the Halifax meeting [of the G–7] that will take place next week in addition to bilateral meetings in which the Iran question is almost inevitably raised. We are sharing more information with our allies about terrorism and their nuclear plans, since some countries have said that this will be a critical factor in determining whether they change their policies or not. We don't know whether this is a political posture for them or if they really mean it. But we will make the extra effort to share with them the information that we have found so compelling and so persuasive, and hope that they will agree to conduct an evaluation of their own policies and see what else is possible.

And immediately and within Washington, we are engaging with U.S. businesses to ensure a fair and prompt implementation of the president's executive order. We are aware that the policy has had some costs and has inflicted some short-term dislocations on some of our interests. The president made his decision because he believed it was commensurate with the threat—both in the short-term and the long-term—that Iran's behavior poses. We hope very much that this recent decision will enhance our ability to exercise leadership with our allies. It has already, in part, restored the domestic consensus over our Iran policy.

GARY SICK, DIRECTOR, GULF 2000 PROJECT AND ADJUNCT PROFESSOR, COLUMBIA UNIVERSITY

I agree with Ellen on many points. There are aspects of Iran's behavior that are indeed troubling and that we should try to change. Iran's record on human rights is deplorable. The bounty that the revolutionary organization has placed on the head of Salman Rushdie, which amounts to an incitement to murder, is detestable. Iran's opposition to the peace process is a complicating factor, and if that opposition takes the form of money, arms and training for terrorist operations, it is unacceptable.

The same holds true for the funding of terrorist operations in any other country. Iran's development of military capabilities that go beyond its legitimate needs for self-defense and which pose a potential threat to its neighbors is both destabilizing and unhealthy. No one wants to see Iran acquire nuclear weapons or other weapons of mass destruction.

On these issues, there is agreement not only in this room, I think, and in Washington, but also in the capitals of virtually every country in the world. The question is how to pursue these objectives, and it is on that question that I disagree most vigorously with the policies that are being pursued by the Clinton administration.

There are two cardinal tests, it seems to me, that should be applied to any foreign policy initiative. First, is there a realistic prospect that the policy will accomplish its intended objective? Second, does it do more harm than good? Present U.S. policy fails both of these tests.

Economic sanctions are always problematic, as we've seen in the case of Iraq, where the entire international community is united. But unilateral sanctions do not work. The United States is a powerful country and arguably the sole superpower in the world. However, it cannot impose its will on Iran without the support of many other countries that maintain diplomatic and commercial relations with that country. At present, there are only two countries in the world that think the U.S. embargo strategy is a good idea; the United States and Israel. If you like, we can add Uzbekistan to that list. (Laughter.)

But not one of Iran's major trading partners has indicated a willingness to join in this embargo.

This was not a surprise. The U.S. government did not consult in advance with any other government before the signing of the executive order on May 6. We knew that no other government would support it, so we didn't bother. Although this is a form of economic warfare, we did not raise it at the U.N. Security Council because we knew our position would attract no support.

We took this very grave step for our own reasons in the certain knowledge that it would not have the kind of international support that would, in fact, make it successful.

The United States in the past has undertaken unilateral sanctions as a matter of principle, even when we were unable to forge an international consensus. One example is the grain embargo against the Soviet Union. However, in that case, there was a triggering event: The invasion of Afghanistan. In this

case, as Ellen just pointed out, there was no triggering event.

We knew other nations would not follow our lead—in fact, we counted on it. Although we have chosen not to purchase any Iranian oil, we really do not want to have Iran's 2.5 million barrels a day of exports withdrawn from the world market. That would create chaos in the oil markets and a very substantial increase in price that could affect our own rate of inflation as well as that of the rest of the world.

In reality, we have been hurting Iran very, very severely over the past several years. Oil, as you know, is denominated in dollars, and the decline in the value of the dollar has substantially reduced Iran's purchasing power. To put it another way, in recent years, the real price of oil for Japan has declined by over 70 percent because of the dollar's decline against the yen. This has a real effect on the Iranian economy but is inadvertent and unrelated to the sanctions we are adopting.

One of the weaknesses of our policy is its disproportionality. We are in the process of adopting much more stringent sanctions against Iran than we imposed against the Soviet Union, which was a real threat to U.S. national security, even at the height of the Cold War.

Let me give you a couple of small examples. Against all odds, the Coca-Cola Company managed to reestablish itself in Iran some years ago. Local soft-drink producers in Iran were outraged. Many of them are owned by parasitic revolutionary so-called foundations. This, they said, was a reintroduction of the Great Satan into Iran. Even worse, it cut into their profits. They asked their leader for a *fatwa* prohibiting good Iranians from drinking Coca-Cola, but he refused. However, the Clinton fatwa will succeed where the hard-line revolutionaries failed, by forcing Coca-Cola to withdraw from the Iranian market.

Tehran is holding its annual book fair this month. Several American publishers withdrew from the exhibition after hearing of the executive order. Frankly, I wish Iranians had access to American books. I think that's our loss.

Federal Express and UPS have both terminated their service to Iran. I was planning to send some materials to a colleague of mine in Iran, a political scientist, about a conference that we have planned, and I'm now going to have to find some other way to do it.

Can I subscribe to an Iranian journal or newspaper, or is that trade with Iran?

Although the executive order is not intended to interfere with normal academic contacts and freedom of expression, it's going to have a chilling effect in many little ways. It will impede or interrupt our few existing channels of reliable information about what is being said and though and done in Iran, and we need that information.

Our policy is also based on some false premises. I was struck by Secretary [of State Warren] Christopher's recent statement to an interviewer. He said, ''We must isolate Iraq and Iran until there is a change in their government, a change in their leadership.''

That statement recalls a very similar comment made by Defense Secretary [Casper] Weinberger some years ago, when he said, ''There must be a totally different kind of government in Iran, because we cannot deal with the irrational, fanatical government of the kind they now have.''

These offhand comments, calling, in effect, for the overthrow of the government, seem more consistent with U.S. actions and the reality of U.S. policy than the repeated official assurances that we heard this morning that we accept the Iranian revolution as a fact and that it is not our objective to try to overthrow it. The voices of our leaders suggest otherwise, at least when they are caught off guard.

Our policies do make Iran's life more difficult in many ways, but the notion that we're going to drive it into bankruptcy and thereby bring down the Islamic government are romantic and infantile pipe dreams. The Iranian government is under great stress due to its own mismanagement of its economy. About one-third of Iran's oil revenues this year will go to pay off its creditors as a result of a consumer import binge following the end of the Iran-Iraq War.

Iranians are dissatisfied with the economy and they are not shy about making their views known. There will be change, but it will take the shape of reforms to the existing system, not of collapse or overthrow. There is no viable political alternative to the present system. We may not like this regime, but we're going to have to live with it. We are not going to bring it down by an act of self-flagellation.

Our policy of demonizing Iran has affected our own credibility in a number of areas. For example, the recent State Department report on international terrorism in 1994 states that Iran is still the most active state sponsor of international terrorism. But if you read the report—and I have read it now three or four times—it is remarkably silent on evidence.

When Secretary Christopher recently claimed that Iran was responsible for the bombing of the Argentine-Israel Mutual Association in Buenos Aires last July, the Argentine foreign minister immediately wrote a letter to Christopher asking him for any verification or evidence that he had, but he said to reporters at the same time that he wrote the letter, ''We do not expect any news. There is no more information now than there was in December.'' There have been no arrests. The principal U.S. source, who was a paid informant of the CIA, has been discredited, and the Argentine government is resuming normal relations with Iran.

There are other major flaws in the terrorism report that in some respects, make it more of a propaganda tract than a serious statement of fact. The United States is reportedly spending $4 million on a propaganda campaign designed to destabilize Iran. It's one thing to conduct propaganda against another state, but there is a real danger if we start believing it ourselves.

The nuclear issue is simple. We do not want Iran to get the bomb, and on that we are joined by virtually every government in the world, notably including Russia, which does not want to see the emergency of a nuclear-weapons state on its southern borders. Again, the question is not the goal, but, rather, how we get there from here.

The United States, in my view, has manufactured an unnecessary crisis by focusing its attention on the sale of nuclear power stations to Iran. Granted, all of us might prefer to see Iran completely devoid of any nuclear infrastructure, but we have diluted our moral and political authority by attempting to deny to Iran a right that is enshrined in the very terms of the Nuclear Nonproliferation Treaty [NPT] that we just recently fought so hard and successfully to sustain.

The NPT explicitly promises in Article IV that states in compliance with the treaty will have access to peaceful nuclear technology. Iran is in compliance. The power stations that Iran is buying from Russia and China are no different from those we are offering free to North Korea in order to gain their compliance with the NPT.

Our decision to focus on the sale of power stations is a case of superpower swagger. We suggest that the rules of international law apply only when we say they apply. That attitude is not popular even among those states which have good reason to fear Iran.

I believe that one of the reasons Iran is seeking nuclear power stations is as part of a broader effort to develop a nuclear infrastructure that would permit it to build a nuclear weapon. Iran fought a bloody eight-year war with Iraq, and I am sure that they were just as shocked as we were to discover how close Saddam Hussein had come to having a nuclear weapon, especially knowing that it most likely would have been used on them, just as chemical weapons were.

They may also have the mistaken notion that nuclear weapons will provide some form of insurance against superpower intervention, having watched Iraq go down to defeat with such apparent ease after they themselves had been beaten on the battlefield by that same army. The Iranians almost certainly wish to shorten the time required to build their own weapon if they see the threat again emerging on one of their borders.

It's worth noting in passing that we should be careful about using the argument that Iran does not need nuclear power because it has so much oil and gas. The two are really not mutually exclusive. Russia has the greatest gas reserves in the world. It also has the largest nuclear power industry in the world.

In reality, Iran is currently short of gas. Every bit of Iran's gas is being used domestically, and there is no surplus. It is also, increasingly, short of energy. Its domestic needs for electricity and heating are increasing faster than it can produce them.

In addition to nuclear power, which may be a silly solution, Iran is involved in major efforts to develop wind power, thermal power and hydroelectric power. I would note in passing that the Japanese loans that we are arguing so hard to try to stop are for a dam on the Karun River in the south that is designed to produce hydroelectric power.

The Conoco deal that we were so outraged about and interfered with was an attempt to develop a gas field in the south that would increase their supply of gas. I argue that we are shooting ourselves in the foot repeatedly. Our recent policies have tended to thwart Iran's development of non-nuclear alternative energy sources.

But these facts, regardless of one's interpretation, are not an argument for complacency about the nuclear issue. Instead, in my view, our policy should focus on the central issue of nuclear-weapons development. A sensible U.S. policy should have the following objectives: First, we and our allies and all prospective nuclear suppliers should convince Iran to renounce technologies that provide direct access to weapons fuel, specifically enrichment. That, of course, includes centrifuge technology and reprocessing.

To that end, we should pressure Russia to reaffirm its adherence to the nuclear suppliers' guidelines which go beyond the NPT in restricting export of these two dangerous technologies. We should also do everything in our power to tighten the international regime, the successor to COCOM, to prevent sale of long-range delivery systems which could be used with nuclear weapons.

Second, any training of Iranians should be limited to what it takes to operate a reactor, rather than providing broad access to nuclear technology.

Third, we should insist on clear-cut agreements about the disposal of spent fuel from the reactors. Iran has said that it would return the nuclear waste to Russia, but we need to ensure that there are safeguards at every stage to ensure that both the fuel is returned and that Iran exercises no control over that fuel once it has been returned—

again, a crucial point, and something that can be done in the agreements that Russia is signing with Iran.

Finally, we should take Iran at its word that it will permit frequent and intrusive inspections by the IAEA [International Atomic Energy Agency] on demand and with little or no advance notice. That should be an absolute condition of any continuing nuclear power assistance which Iran will require for the next decade or more. I would also add that might be useful to explore this idea that's been raised recently by the United Nations Association of a nuclear rapporteur who would conduct independent investigations to explore evidence of nuclear-weapons development around the world and report directly to the Security Council.

All of these steps are things that we could do, and a negotiating package that is composed of these elements and perhaps others of a more technical nature would be greeted by understanding and sympathy by most if not all of our friends and allies. It is consistent with international law and is in the immediate national interests of potential nuclear suppliers themselves. In short, it offers what our present policy does not: a workable strategy to achieve our most important objectives.

Our present policy is not really a strategy, since it lacks a definable endgame. It rails against Iran's behavior, but really doesn't offer anything like a credible roadmap for changing it. And pious hopes that Iran is suddenly going to change its spots really don't suffice, especially when we're making such stringent efforts as we are.

So, in closing, let me suggest a five-point framework for U.S. policy. I do so in the full understanding that any such suggestions are probably fated to fall on deaf ears in the present political climate in Washington.

First, we should cool the rhetoric for a while. At times lately, we have sounded more shrill and ideological than the ayatollahs. Let's put the thesaurus aside for a while. We don't need any more synonyms for rogue, outlaw, or even backlash, whatever that means.

Second, let's take some time to get our priorities straight. Iran may be bad, but it's not all bad, and some of the actions are worse than others. If the nuclear issue is at the top of our agenda, and that's where I think it should be, let's put together a strategy that addresses the central issues, rather than painting everything with the same brush.

Third, let's begin to develop a strategy that engages our allies and lets us work with them, instead of bullying them and ignoring their own legitimate interests. Despite what Ellen said, I think that's what we've been doing.

Fourth, we should adopt a policy of selective neglect. When we disagree with Iran or find its behavior outrageous and unacceptable, we should say so, but where we see improvement in their policies—and there are, in fact, areas of improvement that we could talk about—we should not be afraid to acknowledge them or at least to remain silent. Distorting the truth in the pursuit of a policy is demeaning to us as a nation and ultimately self-defeating.

Finally, we should apply the Waco test. Yes, we have over there what we perceive as an encampment of religious extremists. They propound ideas that offend us. They are armed, and they may represent a danger to the neighborhood. But we should never forget that no matter how bad it is, our policies, if misconceived, can make it worse for everyone concerned.

RICHARD COTTAM, UNIVERSITY PROFESSOR OF POLITICAL SCIENCE EMERITUS, UNIVERSITY OF PITTSBURGH

I want to talk about two things primarily: one, the long-run trends in Iran; two, Iranian intentions, as I see them.

I want to begin with something you all remember but I think need to be reminded of and that is in December of 1978, on a religious holiday, eight million people, journalists tell us, demonstrated in Iran against that shah's regime. That would be one out of every five, even though they knew that attack helicopters could be used against them. Two months later, the revolution was successful. It was without question, I think, the greatest populist revolution in human history.

In days following that revolution it began to unravel, and the liberal element, which was very important in the directorship of the revolution itself, began to desert or to be regurgitated. A terrible process began to take place that we haven't noted enough the development, wherever resurgent Islam appears, of a polarization of the populations with two sections of people, one religious and one secular, starting to dislike each other to a point of intensity that is almost genocidal. It takes place everywhere. In a better world, what we on the outside should want to do is to try to bring about some kind of reconciliation of these forces. Strangely enough, our policy in Algeria seems to show slight signs of doing exactly that.

Within a year of the revolution, the polarization was pretty well complete in Iran. There was a regime pole, which I would estimate, for what it's worth, at about 20 percent of the population. And that pole followed Khomeini's great leadership (that was their view of him). And within that group there were two major factions or tendencies as they called them, one you could call reform and one revolutionary. Khomeini's decisional style was such that he didn't allow either of these factions really to win and consolidate.

The result was that within the bureaucracy itself, many bureaucrats reported to very different elements in the revolutionary elite. Although there has been some consolidation of control, this is still a phenomenon and probably has a lot to do with explaining the assassinations of Iranian dissidents abroad.

An intransigent opposition developed that looked almost exclusively to the United States for salvation. And then there appeared the phenomenon of a substantial majority of the Iranians—a large acquiescing and accommodating majority of the country—who saw no alternative to the regime, accepted it and wanted to go on with their lives.

Fifteen years later, the change is very substantial. The radical leadership has been defeated. It was rather decisively defeated, although remnants, I believe, still are in the bureaucracy. Its support base has shrunk even further, I'm not allowed in Iran, one of the few Americans who is not acceptable there. But people whom I respect who go all the time have estimated that between 15 and 1.5 percent of the population really supports the regime. It's a very dangerously low level of support. I agree with Gary Sick that it's not likely that there will be any kind of revolution. But what is possible with this level of support is a spontaneous uprising against a miserable economic situation which could get out of control and go to something unpredictable.

I think the major failing, though, of the regime has been its failure to recruit a significant section of the intelligentsia. The revolution has lost its vitality. It is now a revolution striving to survive. [Ali] Khamenei, the supreme leader of Iran is, a sincere advocate of the Islamic movement, but he did participate in the defeat of the radical element. And the president, [Ali Akbar Hashemi] Rafsanjani, is, I believe, a realistic individual who's very interested in reconciliation and would move far in the direction of bringing people together if he had the latitude to do that.

The intransigent opposition, I think, can be largely disregarded. It's important in the expatriate community, but it seems to have virtually no real meaning within Iran itself. Center stage today is held by the accommodationists and the acquiescers. This is now a huge majority that dominates the universities to a striking extent, both faculty and student body. It dominates the progressive element of the economic community. It's omnipresent even in the bureaucracy and in the professions. It therefore has created a picture that is very different from what we've seen in the past and one that we should take seriously into account.

This large majority grants the regime very little legitimacy and in the past has been unwilling even to explore the possibility of engaging it and becoming part of the system. It is right now showing signs of a willingness to do that. The Freedom Front, for instance, has openly told American reporters that it's thinking of running for parliament in the elections. They certainly believe the liberalization process and the growth of pluralism are a real possibility in Iran.

In foreign policy, this group is very different from the regime. It has no interest in messianic Islam. It isn't interested in the peace process or the Arab-Israeli dispute. There is very little support from this large majority of the Iranian people for an activist policy in support of what we think the Iranian government is up to. I think this is a fact that is extremely important.

This majority is, however, extremely nationalistic. And those barren islands [Abu Musa and the Tunbs] sitting in the Gulf are more important to it than any of these other issues I've mentioned. We could easily offend this very nationalistic element of the population. It yearns for rapprochement with the United States and for a return to the international system. It doesn't like to be a pariah state. It wants to interact. it wants to become prosperous. It's deeply disappointed in U.S. hostility, finding it increasingly bemusing.

To return to the question of the regime's intentions, first, I would say, is to position itself favorably in the global economic system. A good competitive position for its oil is vital for the survival of the regime itself. I believe it will make that its first priority in its foreign policy.

Second, this regime believes that America, collaborating with Israel, is ineluctably hegemonic in its ambitions. The Iranian regime feels terribly threatened and believes that the danger is from us. When it thinks in terms of arming itself, it's almost pathetic. It can't seriously think in terms of deterring us if we took it on directly. It can only think in terms of deterring our puppets, as they see it, who might attack them.

The most difficult part for me in making this case to you, I believe, is this point: that as far as Islam is concerned, the regime has stopped talking about becoming the great leaders of an Islamic state. The *imam* of the *umah* was the title for Khomeini, the leader of the entire community of believers. In its place there is a much more defensive concern.

I don't mean to understate the importance of Islam for this regime. There are four external communities that it is particularly interested in helping, Islamic communities

that it sees as under attack. These are the Shia communities of Iraq and Lebanon, the Palestinians and the Bosnian Muslims. It sees its support for all four of these as an integral part of the same policy.

It understands that some of these groups resort to the tactics of terror, but I have not seen evidence to indicate that Iran ever pinpoints any appropriations, any money that it gives, for that purpose. It would trivialize the communities we're talking about to assume so. Iran does not see itself as supporting terrorism. It sees itself as supporting regimes that are fighting for their lives or for the return of their property, of their territory. And it's a sincere belief. They are bemused, again, by our depicting all of this as support for terrorism.

I want to quickly give Iran's rationale for opposing the peace process because I think it is underestimated and misunderstood. It's not an irrational position. They argue thus: one, the Arab-Israeli conflict is obviously highly asymmetrical, and that asymmetry in Israel's favor is declining. The reason for this is the appearance of major popular movements. Hezbollah and the intifada in particular, have improved the overall power picture in the relationship between Israel and the Palestinians. Given this favorable trend, this is the wrong time for peace negotiations.

Second, the negotiations are being mentored by Israel's protector, a country that promises the Israelis eternal superiority in dealing with the Arabs. This adds to the asymmetry and is not a format that the Iranians think they would like to participate in.

Third, there has been no effort in this major movement to deal explicitly with Islamic spokesmen in a process that affects their lives intensely. This seems to indicate that this large and vital movement is to be disregarded. Iran's position, therefore, I believe, is exactly the same as the position of resurgent Islam everywhere, and it isn't one they can just bargain away. That's not a possibility for them. They believe that even if there is a resolution between Israel and the Palestinians, it will not last, because too much of the population has been disregarded in the process.

At the same time, if you look in terms of man hours spent on diplomacy, Iran is expending extremely little effort in opposing the process. It has, in effect, said that if [Syrian president Hafiz al-] Asad makes an agreement with the Israelis, it will think it's a mistake, but it will go along with the agreement.

I need to spend also just a minute on a very big subject which Gary Sick has talked about: nuclear weaponry. I do not believe the United States has seriously addressed the problem of Iran, the Arab states and many other countries in the world on this issue. There are many states that believe they may someday be given a nuclear ultimatum with no possibility of support from another nuclear power.

In the Middle East, the nuclear power that they expect the ultimatum from is Israel. And no one in that area believes for one second that the United States or any other nuclear power would help them if Israel were to issue an ultimatum. Consequently, since they think this is a realistic scenario, they are going to try to defend themselves against it. I think they have done very, very little in that direction so far. They've made clear that they want a nuclear-free zone in the area, but I would assume that any Iranian government, including a future Iranian nationalist government, would have to develop nuclear weapons unless this point is dealt with by the international community. I do not believe we have been serious on this issue at its most fundamental level.

In summary, then, I'm arguing that the United States has misread Iran's intentions. Much more seriously, it has misread basic fundamental trends in Iran, most of which are favorable to American goals, and is taking actions that are likely to reverse those trends. The worst case in my view is for American policy ultimately to so anger Iranian nationalists that they will become as hostile to the United States as Iranian nationalists were under the shah's regime. Therefore, the policy that I would prefer is the policy Gary Sick calls ''playing it cool.''

I don't think dialogue means much at all. There are too many misperceptions of each other's intentions. To have people who totally misunderstand each other talking doesn't seem likely to produce much. But let's just stop punishing Iran gratuitously and allow trends that are moving in the direction of a real change in the area to proceed as they're proceeding.●

KIDS PAY THE PRICE

● Mr. SIMON. Mr. President, we still are not doing what we should to control the proliferation of weapons in our country, despite the overwhelming evidence of the need to do that.

The Bob Herbert column in the New York Times recently was powerful evidence once again of the need to face up to these problems.

I commend him, I commend Oprah Winfrey, I commend Paul Newman, and anyone else who has played a part in putting together what, apparently, is a powerful, two-part program on ''The Oprah Winfrey Show.''

I ask unanimous consent that the Bob Herbert column be printed in the RECORD at this point.

The column follows:

[From the New York Times, Oct. 30, 1995]

KIDS PAY THE PRICE

(By Bob Herbert)

Paul Newman, in the 30-second television spot, is reading from a newspaper: ''Matilda Crabtree, 14, jumped out of a closet and yelled 'boo' to scare her parents.'' He pauses very briefly before adding, ''And was shot to death when her father mistook her for a burglar.'' Mr. Newman continues: ''Matilda was supposed to be sleeping at a friend's house but decided to sneak home and play a joke on her family. Her last words were, 'I love you, Daddy.' ''

This is followed by a stark message displayed full-screen against a black background: ''A gun in the home triples the risk of homicide in the home.''

We then hear Mr. Newman say, ''Before you bring a gun in the house, think about it.''

The Newman spot is one of many compelling moments in a special two-part Oprah Winfrey program devoted to the terrible toll that gun violence is taking on young people, especially children. The first part airs today.

The program opens with Ms. Winfrey standing in front of a blackboard that says 15 children are killed by guns in the United States every day, and that a teen-ager commits suicide with a gun every six hours. ''If we were to build a memorial'' to the kids killed by gunfire in the last 13 years, Ms. Winfrey says, ''the names on that memorial would outnumber'' the American lives lost in Vietnam.

The program uses the terms children and kids in the broadest sense, so that they cover the entire period from infancy through the teen years. In 1992, the last year for which complete statistics are available, 37,776 people were killed by firearms in the U.S. Of those, 5,379 were 19 years of age or younger. Those are extraordinary number, and they have risen since 1992.

And yet we pay very little attention to the problem of guns and children, in part because of denial, and in part, as Ms. Winfrey points out, because ''the frequency of death has numbed us to what the death of one child really means.''

Today's show takes a step toward remedying that. For example, we see glimpses of the exuberant life of Kenzo Bix from home videos and a photo album and the comments of his mother, Lynn. We see him as a toddler, and in that angelic guise peculiar to the first grader, and romping as a teen-ager,

''He was kind of whimsical,'' his mother said. She shows us a Mothers Day memo he posted: ''Do not go in the kitchen. Your gifts are in there.''

''That was actually the year just before he died,'' she said.

When he was 14, Kenzo was accidentally shot and killed by a friend who was playing with a gun.

One of the things that comes through in Ms. Winfrey's program that is usually missing from news accounts of homicides and suicides is the sheer suddenness of the absence of the one who dies. Those who knew the child, were close to the child, loved the child, cannot believe that he or she is gone, and gone for good—gone irrevocably because of the absurdity of the pulling of the trigger of some cheap and deadly mechanism, usually for some cheap and stupid reason.

Larry Elizalde, 18, was a high school track and football star, and Olympic team hopeful, who was shot to death on the street in Chicago by gang members who mistook him for someone else.

Mr. Elizalde died in the arms of a young seminarian, a stranger named Doug Mitchell, who happened to have witnessed the shooting. Mr. Mitchell, in an interview with Ms. Winfrey, said he did not want ''the hatred of the gun, the violence of the gun'' to be the last thing that mortally wounded youth would experience, but rather the love and concern of another human being.''

This was clung to as a blessing by Mr. Elizalde's anguished mother, Lynette, who at first had harbored the desperate fear that her son had died alone.

Throughout the program, Ms. Winfrey offers us evidence of the humanity that is sacrificed—not just the lives lost, but the humanity in all of us that is sacrificed by our acceptance of the mass manufacture, mass sale and mass use of firearms in this country.

She tries to lift at least a corner of our blanket of denial to disturb and maybe even awaken us.

After all, she seems to be saying, children are dying.●

CAN AMERICA'S RACIAL RIFTS BE HEALED BY A BLACK PRESIDENT?

● Mr. SIMON. Mr. President, one of the finest journalists in our Nation today is David Shribman.

He writes a column that appears, among other places, in the Chicago Tribune.

He recently had a column that suggests solving the problems of race in our country cannot be done dramatically by any one leader or person.

That does not suggest that a President, Senator, Governor, or leader in

any capacity cannot have an impact. But his column reflects on the depth of the problem that we have in our country, and I would urge my colleagues to read it.

I ask unanimous consent that the column be printed in the RECORD.

The column follows:

CAN AMERICA'S RACIAL RIFTS BE HEALED BY A BLACK PRESIDENT?

(By David Shribman)

WASHINGTON.—Yes, there is a national political angle to the O.J. Simpson murder trial. And yes, it's as troubling as the social angle, the criminal-justice angle, the media angle and the commercial angle.

It's this: Next year's election is going to be conducted in a country that is so racially divided that one side can't comprehend why the other side sees things the way it does. And the irony is that the greatest imponderable in this landscape of confusion is an African-American man.

Right now, as O.J. Simpson begins a new life, retired Gen. Colin L. Powell contemplates his plans. Both are embarking on uncharted paths. Both will be watched carefully by the public. Both will in no small way shape the country we become in the next century.

Simpson and Powell, to be sure, have so little in common that it's almost stilted to connect them. One is a star athlete, man about town, a bit of a libertine: fast on his feet, fast in his life. The other is a war hero, a man of probity, a paragon of discipline: slow to judge, slow to rile.

But the murder trial of the one has opened up racial rifts so wide that the temptation is to say that the steely drive of the other might help the healing.

American voters know that the risk of hiring President Powell isn't substantially different from the risk of hiring President Dole or the risk of rehiring President Clinton. But there is something about the Powell boomlet that carries echoes from the tortured and tortuous American life of Orenthal James Simpson. And those echoes are warning signals:

Colin Powell can't fix everything.

But that's not what you're hearing from the commentators, handicappers, analysts, instant experts and grandstand big mouths who proclaim their opinions on national politics much the way they proclaim their opinions on, say, the National Football League.

Many of them suggest that a Powell campaign could be the George Washington Bridge of modern American politics, a wonder of political architecture spanning wide distances—between Republicans and Democrats, between liberals and conservatives, above all between blacks and whites. It's an appealing, even an intoxicating, notion: Bring centuries of racism, violence, suspicion and repression to an abrupt end by electing a black president.

But listen, too, to the undertow of the American conversation. This is what many whites say about Colin Powell: He doesn't seem black. He moves so easily between the races. His accomplishments are so vivid that they are without color content.

That's what some blacks say, somewhat warily, about Powell as well: Not really black. Moves between the races. Without color content.

And that, of course, is what everyone said about O.J. Simpson. He was black but not too black. He was everybody's favorite golf partner. He was the most fabulously appealing black corporate spokesman of his time. When O.J. ran—and I saw this myself two decades ago, at Buffalo Bills training camps in Niagara Falls and again in Rich Stadium in Orchard Park, N.Y.—the whites cheered as lustily as the blacks.

Everybody said that Simpson transcended race. He didn't. Everybody says that Powell transcends race. He doesn't.

The wounds of America's centuries-long signature struggle are too deep to be bandaged by one man. Winning the respect of George Bush, who is privately urging Powell to run, isn't enough to end tensions that have been festering since the early days of colonial Virginia. It's a start, but it isn't a finish.

Now that the trial of O.J. Simpson is over, the nation's newspapers and television networks can start chronicling another American drama: the 1996 presidential campaign. The first subplot is Powell's decision, expected next month, about whether to run for president.

One thing, however, is sure: A Powell candidacy can't become a feel-good experience—or an excuse for not talking about race.

Everyone now knows—press your TV remote and you'll see it reinforced on O.J. retrospectives, talk shows, town meetings and news broadcasts—that racial misunderstanding and mistrust can't be overestimated in this country.

And so the Simpson trial isn't irrelevant to the campaign. It tells us that race is more than skin deep, and so is racism. It tells us that the leader who takes America into the 21st Century will have to understand these gaps, not paper them over. It tells us the president will have to say something about things that, for many years, were better left unsaid—about racism, injustice, fear. It tells us that, after all these years, we still must summon what Lincoln called the ''better angels of our nature.''●

THE UNITED NATIONS AT 50: LOOKING BACK AND LOOKING FORWARD

● Mr. SIMON. Mr. President, in response to a question I asked Dr. Jessica Mathews about an op-ed piece that appeared in the Washington Post, she sent me a speech made by Foreign Minister Gareth Evans of Australia.

I took the trouble to read the speech, and it is a good summation of where the United Nations is, where it has been, and where it should go.

Foreign Minister Evans points out the successes of the United Nations, like El Salvador, Cambodia, and Mozambique, as well as areas where there are deficiencies. He calls upon the nations to move quickly on a chemical weapons convention, and I hope the United States would join in that effort.

Of no small significance is his comparison of the costs of running the United Nations compared to other entities.

Note these sentences from his address:

The core functions of the U.N. (involving the Headquarters in New York, the Offices in Geneva, Vienna and Nairobi, and the five regional Commissions) cost just $1.2 billion between them: to take just one comparison last year the annual budget of just one Department in one United States city—the New York Police Department—exceeded that by $600 million.

The total number of personnel needed to run those U.N.'s core functions is around 10,700; compare the local administration of my own national capital, Canberra—again just one city in one of the U.N.'s 185 member states—which employs some 22,000 people on the public payroll.

The cost of the U.N.'s peace operations last year—in Cyprus and the Western Sahara and the former Yugoslavia and thirteen other locations—was $3.2 billion: that's less than what it takes to run just three New York City Departments (Police, Fire and Corrections).

Add to the core functions of the U.N. all the related programs and organs (including UNDP, UNFPA, UNHCR, UNICEF, UNCTAD and International Drug Control) and you are talking about a total of around 33,000 people and a total budget (including both assessed and voluntary contributions) of $6.3 billion: that sounds like a lot, but not quite so much when one considers, for example, that the annual global turnover of just one international accounting firm, Price Waterhouse, is around $4.5 billion.

Go further, and add to the core functions and the related programs all the other specialized programs and agencies of the entire U.N. family—that is, add agencies like the FAO, ILO, UNESCO and WHO, plus the IABA, and put into the equation as well the Bretton Woods Institutions (the World Bank group and the IMF, which between them employ nearly 10,000 people and spend nearly $5 billion annually) and you are still talking about total U.N. personnel of just around 61,400 and a total U.N. system dollar cost of $18.2 billion.

He also praises Canada's leadership in suggesting that we have a more effective system of responding to world emergencies, and I join him in lauding what Canada has done.

I ask unanimous consent that the full statement be printed in the RECORD.

The statement follows:

THE U.N. AT FIFTY: LOOKING BACK AND LOOKING FORWARD

(Statement to the Fiftieth General Assembly of the United Nations by Senator Gareth Evans, Foreign Minister of Australia, New York, 2 October 1995)

Mr. President, I congratulate you on your election to the Presidency of this great Assembly. Your election is a tribute both to you and to Portugal, and Australia will work with you to ensure that this historic Fiftieth Session is as memorable as it could possibly be. And I join in warmly welcoming, as the UN's 185th member state, our fellow South Pacific Forum member, Palau.

If we are to effectively prepare for our future we must first be able clearly to see our past. If we are to see where we must go, we must know where we have been: we must be conscious of our failures, but we should be proud of our successes.

The structure of today's world community—of sovereign, self-determined, independent states working together on the basis of equality in a framework of international law—simply did not exist before the Charter of the United Nations. There were imaginings of it in the minds of many for a very long time, and we saw emerge, between the World Wars, a pale approximation of it with the League of Nations. But it was at that special moment in San Francisco, fifty years ago, that today's concept of a community of nations was first truly born. And that concept has passed the test of fifty years of life.

Gifted though the authors of the Charter were, they would I think be awed to see how very much their vision of a globalised world has now been answered, and exceeded. Today's world is one world, a world in which no individuals and no states can aspire to solve all their problems or fulfill all their dreams

alone. The ideas of San Francisco have entered into the unconscious of people all over the world. Those who refuse to acknowledge the global character of our world, or recoil from it and retreat into unilateralism or, worse, isolationism, have simply not understood the new dynamics that are at work. Ours is an age in which we are called to more, not less, cooperation—and to ever more, and more responsible, sharing of our common destiny.

The ideas of San Francisco have assumed many concrete forms, which have deepened and expanded over the last five decades. States now habitually, virtually automatically, conduct their relations with each other on the basis of the United Nations Charter. We have added continually to the corpus of international law and agreements made pursuant to the Charter, in ways that have touched every aspect of modern life. We have built institutions that have sought to deliver to the peoples of the world their most basic needs—for peace and security, for economic well-being, and for dignity and liberty.

It was natural that, following a devastating World War and the hideous brutality which accompanied it, that the Charter would have at its heart the maintenance of international peace and security. So far anyway, we have passed the test of ensuring that the world would never again be subjected to global conflict. The United Nations has been, of course, deeply challenged in the maintenance of peace, from the very beginning and ever since. There are areas in which its attempts to maintain and restore peace have been flawed, and where the UN has faltered. But for all that has gone wrong in places like Bosnia and Somalia and Rwanda we should not forget the successes, like those in El Salvador, Cambodia and Mozambique. To go back a generation, no one should forget the role that was played by the Security Council and the Secretary-General in that desperate month of October 1962 when the hands of the clock were seconds before midnight, and the world faced potential nuclear holocaust. And no one should forget the role that the Nuclear Non-Proliferation Treaty has played in falsifying the almost universal prediction in the 1960s that within two decades there would be twenty or more states possessing nuclear weapons.

In development, in seeking to fulfil its commitment to promote ''social progress and better standards of life'' the United Nations has laboured hard, sometimes in very difficult circumstances. The gap between developed and developing countries still remains unacceptably high; there have been and continue to be difficulties with the availability of resources for development assistance; and we have to acknowledge the awful reality, according to the World Bank, that 1.3 billion of our people still live in absolute poverty. But in food and agriculture, in employment and labour standards, in health, in education and in building the infrastructure so vital to communities in the developing world—roads, bridges, water systems—the United Nations and its agencies have worked relentlessly in the service of the human family. It is because of UNICEF that today 80 percent of the world's children are immunised against six killer diseases. And this is just one of hundreds of similar stories that the UN can and should be telling.

Basic to the United Nations' concept of the world community was that it should operate under and foster the development of law, justice and human rights. A fundamental commitment of the United Nations is to establish conditions under which justice may prevail, international law will be respected and peace can be built. In fulfilment of this charge, the United Nations has provided the setting for the negotiation of over three hundred major treaties, including in such crucial fields as arms control, transport, navigation and communications. This very practical area of international cooperation has formed the framework of a globalised world.

The Charter of the United Nations spoke not just of securing better standards of life, but of those better standards being enjoyed ''in larger freedom''. And the articulation, development and implementation of human rights standards across the whole spectrum of rights—economic, social and cultural as well and political and civil—has been one of the UN's most important and constructive roles.

One of the worst of all denials of personal and political freedom was that imposed by apartheid. The triumph over that evil was above all a victory for those South Africans and their leaders whose freedom and dignity apartheid had so long denied. But it would ignore the testimony of history not to recognize the importance of the role played by the General Assembly and the Security Council in creating the conditions for that to occur.

For the peoples of the world, no political right has been more important than the right to self-determination. The achievements of the United Nations in this field alone are testimony to the indispensable role it has played in human affairs, with hundreds of millions of people having exercised their right to self-determination in these last fifty years. It is the great movement of decolonisation, as much as the Cold War and its aftermath, that defines the modern world as we know it, and which shapes the world's agenda for the years that lie ahead.

The United Nations of the future will need to be, above all, an organisation which works and speaks for all its members, no matter how large or small, and whose legitimacy is thus without question. It must be an organisation better oriented to performance, to delivery to people of the things they need and have a right to expect. And it must be an organisation which seeks to reintegrate, and better coordinate, the implementation of the UN's three basic objectives so clearly articulated at San Francisco fifty years ago—the objectives of peace (meeting the need for security), development (meeting economic needs) and human rights and justice (meeting the need for individual and group dignity and liberty).

THE PEACE AGENDA

Disarmament and arms control continue to be of crucial importance in the peace agenda, and a major challenge immediately ahead will be to maintain the momentum of multilateral disarmament and non-proliferation efforts. The decision by the Nuclear Non-Proliferation Review and Extension Conference to extend the Treaty indefinitely was, and remains—despite what has happened since—the right decision. The work on a Comprehensive Nuclear Test Ban Treaty must be brought to conclusion, as promised, in the first half of 1996. We must also begin as soon as possible negotiations on a treaty to ban the production of fissile material for nuclear weapons purposes. A further helpful step, although more difficult to achieve, would be a regime requiring all states to declare and account for their present stocks of fissile material. The basic objective in all of this is to move towards the goal that is agreed by all—and it should never be forgotten that it has been agreed by all—that we will, ultimately, eliminate all nuclear weapons.

It is in this context, particularly, that the decisions by France and China to continue nuclear testing are to be so strongly deplored. The environmental consequences are bad enough of setting off an explosion more than five times the size of that which destroyed Hiroshima—as France did yesterday on the fragile soil of Fangataufa in Australia's Pacific neighborhood. But the nuclear policy consequences are even worse. This is not the time to be reinforcing nuclear stockpiles and asserting their ongoing deterrent role; the world wants and needs to be moving in the opposite direction.

This is the time to be negotiating away those stockpiles, and building verification systems of the kind we did with the Chemical Weapons Convention—which needs still to be ratified into effect (and I urge those states who have not yet acceded to it to urgently do so). This is not the time to be encouraging skepticism about the Nuclear Non-Proliferation Treaty, as the French and Chinese tests are doing. It is, rather, the time for the nuclear powers to be encouraging its universal observance in the way that they best can—by showing that they themselves are absolutely serious about moving to eliminate nuclear weapons from the face of the globe. The best way for them to do that right now is for France and China to immediately end their testing programs; for all the nuclear weapons states to sign on to the nuclear weapons free zone treaties that now exist in the South Pacific and elsewhere; and for those states to commit themselves wholeheartedly to negotiating a genuinely comprehensive zero-threshold CTBT into place by the middle of next year.

The past few turbulent years of United Nations experience on the ground in peace keeping and peace enforcement has underlined the need for it to improve the effectiveness of its work in these important fields. Australia has welcomed the Secretary-General's further work in this area in his very lucid January 1995 Supplement to An Agenda for Peace. In our own contributions to the debate on these issues, we have argued for the clearest possible thinking to be given to the achievability of objectives right across the whole spectrum of responses to security problems—from peace building to peace maintenance to peace restoration to peace enforcement.

We have consistently argued, and I make the point again briefly today, that if the United Nations is to be able to meet effectively the security challenges of the post-Cold War world it must begin to devote more resources to preventive strategies than to reactive strategies. It makes more sense to concentrate on prevention than on after-the-event peace restoration, both for inter-state conflict and in the unhappily now far more common case of intra-state conflict. Violent conflicts are always far more difficult and costly to resolve than non-violent disputes, and failed states are extreme difficult to piece back together.

All that said, it has been encouraging to see the progress made in recent days toward resolving the conflict in the former Yugoslavia, and in moving the Middle East peace process a substantial new step forward. The UN should always be prepared to lend its support and encouragement to preventive diplomacy and peace making efforts taking place outside the formal framework of the UN system, and it should remain particularly alert to the opportunities envisaged in the Charter for advancing the peace agenda through regional organisations. In this context, we in the Asia Pacific have been pleased with the rapid evolution of the ASEAN Regional Forum over the last two years as a new vehicle for dialogue, and trust and confidence building, in our own region.

Particular attention has been given recently to the question of improving the United Nations' rapid reaction capability, and

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warmly commend the work that has been done to clarify our thinking on these issues by the Netherlands and Danish Governments, and particularly in the major Canadian report, Towards a Rapid Reaction Capability for the United Nations, just presented to the Assembly. The very useful emphasis of the Canadian study is on the idea of improving the UN system's capability at the centre first—particularly in the area of operational planning—and thereby encouraging greater willingness by troop contributors to give practical and more urgent effect to standby arrangements. No organizational arrangements will substitute for clear-eyed decision-making by the Security Council on the responses and mandates that are appropriate to particular situations, but the implementation of changes of this kind should make us much better equipped as an international community to deal in the future with situations like that in Rwanda, where last time our response was so tragically inadequate.

THE DEVELOPMENT AGENDA

The security agenda tends to dominate most popular perceptions of the UN's role, but we in the international community must never allow our attention to be diverted from the demands of the development agenda, now as pressing as ever. When historians hundreds of years hence look back at this last half century, the Cold War and its aftermath will not be the only great international current to be remembered: it will be the giant step of decolonisation that looms at least as large.

Decolonisation led to the emergence of a world economy which for many years has been seen as divided principally into two categories—the developed and developing countries. But today the picture is more complicated. Mainly for reasons of change in technology and information systems, we now live in a global economy. No part of it is entirely separate from the whole, and no-one can act in that economy in an effective way entirely alone. Because we live in a global economy a key part of our action to deal with the problems of development must be multilateral. And the key problem facing us—both multilaterally and in our bilateral donor roles—is that within the global economy the gap between rich and poor countries, despite all efforts to resist this, has grown. The fact that some 1.3 billion of the 5.7 billion people alive today live at an unacceptable level of poverty is morally insupportable, and dangerous.

The United Nations of the future must, as a matter of the most urgent priority, forge a new agenda for development and reshape its relevant institutions to implement that agenda effectively. This is as important as any task it faces in the service of the human family, and in recreating itself as an institution fit for the 21st Century. The agenda is available for all to see. It has been fulsomely described in the six global conferences held by the United Nations in the last four years—the conferences on children, the environment, human rights, population, social development and women. There have also been important studies by the international financial institutions and by academic institutions. We know now what we need to do. We must resolve, politically, to do it.

In pursuing these various themes it is important, however, for us not to lose sight of those geographic regions where particular focus is still required, and where the UN's role is more vital than ever. Africa's influence and importance continues to be felt throughout the world in every field of human activity and culture. Exciting political developments, including the ending of apartheid, have been accompanied by major new efforts to restructure and reform national economies: those efforts demand the continued support of the international community, and in particular the UN system. Other regions where the UN needs to play a particular role to facilitate economic and social development are the Central Asian republics, the Middle East, the Caribbean, and in a number of areas in the Indian Ocean region.

The Indian Ocean region is one where Australia, as an Indian Ocean country, has been promoting, with others in the region, both governmental and non-governmental efforts to enhance regional cooperation, particularly on economic and trade issues. The success to date of APEC in developing cooperative strategies in the Asia Pacific region to promote prosperity and stability, complementing the UN's broader work for these goals at the international level, offers one possible model for the countries of the Indian Ocean Rim to consider.

The institutions of the United Nations relevant to economic and social development are urgently in need of reform. The General Assembly has created the high-level working group needed for political consensus on this. It must complete its work in this Fiftieth Anniversary year, and it must do so creatively, setting aside past vested interests in the system. We must implement the development agenda of the future in a way which ensures a productive and fair place in the global economy for all states.

HUMAN RIGHTS

The complex and inter-linked system of principles, legal regimes and machinery that the United Nations has established to promote human rights is one of its major achievements. It must be built upon and strengthened, recognizing always that the human rights whose universality and indivisibility we assert, are about economic, social and cultural rights just as much as the civil and political rights on which developed countries tend to focus their attention. Priority must be given to the major international human rights instruments and machinery and the committees which monitor their implementation. By this means we can provide a frank, non-confrontational and constructive dialogue amongst states parties.

The advisory services and technical assistance activities of the United Nations can also play a role in promoting the observance of human rights and the implementation of democratic principles around the world. Programs to help countries develop national institutions and systems to promote and protect human rights will enhance their capacity to prevent violations and make a direct contribution to human security.

THE ORGANIZATIONAL AGENDA

It cannot be emphasized enough that the peace and development and human rights agendas I have mentioned are all interlinked. We need to avoid the compartmentalisation that occurred throughout the Cold War years, in which peace and security issues, development issues and human rights and justice issues were isolated in completely different conceptual and institutional boxes. Any viable modern concept of international peace, let alone peace within states, must recognize that ''peace and security'' and ''development'' are indissolubly bound up with each other: there can be no sustainable peace without development and no development without peace. And human rights, in the fullest sense, have to come into the equation too; there is unlikely to be sustainable peace in any society if material needs are satisfied, but needs for dignity and liberty are not.

No agendas of substance, no matter how clear in concept and well-coordinated in principle they may be, will mean anything to people if they are not able to be implemented through effective organizational structures and instruments. There has been widespread recognition in recent years that the structure of the United Nations that grew up during the last fifty years is simply not adequate to the tasks of the next.

We now have an embarrassment of riches with respect to ideas and proposals for change to the United Nations organization. Just as it is urgent that we complete work on An Agenda for Development in this fiftieth year, it is equally urgent that we compete the work of the high-level working group on the reform of the United Nations system, also within the fiftieth year.

The structural problem that it is probably the most urgently necessary to resolve, if the credibility of the UN system is to be maintained, is that of the Security Council. The debate on this subject has been long and detailed and is familiar to all of us. Australia's definite view is that it has been going on for long enough, and we are now at the time where action is required. Last year we submitted some illustrative models on the basis of which consideration could be given to an expansion in the membership of the Council. Others have made very specific proposals. Again, in this field there is no lack of ideas. What we must now do is move to the stage of forging political consensus on a new Security Council which will be effective, represents the whole membership of the United Nations and sensibly reflect the realities of today and the future, not those of 1945.

There are many structural changes and personnel reforms that could and should be made within the UN system to improve its efficiency. But ultimately the quality of that system depends on what we are prepared to pay for it.

It is important to appreciate at the outset the order of magnitude of the sums we are talking about. The core functions of the UN (involving the Headquarters in New York, the Offices in Geneva, Vienna and Nairobi, and the five regional Commissions) cost just $US 1.2 billion between them: to take just one comparison last year the annual budget of just one Department in one United States city—the New York Police Department exceeded that by $600 million.

The total number of personnel needed to run those UN's core functions is around 10,700: compare the local administration of my own national capital, Canberra—again just one city in one of the UN's 185 member states—which employs some 22,000 people on the public payroll.

The cost of the UN's peace operations last year—in Cyprus and the Western Sahara and the former Yugoslavia and thirteen other locations—was $3.2 billion: that's less than what it takes to run just three New York City Departments (Police, Fire and Corrections).

Add to the core functions of the UN all the related programs and organs (including UNDP, UNFPA, UNHCR, UNICEF, UNCTAD and International Drug Control) and you are talking about a total of around 33,000 people and a total budget (including both assessed and voluntary contributions) of $6.3 billion: that sounds a lot, but not quite so much when one considers, for example, that the annual global turnover of just one international accounting firm, Price Waterhouse, is around $4.5 billion.

Go further, and add to the core functions and the related programs all the other specialized programs and agencies of the entire UN family—that is, add agencies like the FAO, ILO, UNESCO and WHO, plus the IAEA, and put into the equation as well the Bretton Woods Institutions (the World Bank group and the IMF, which between then employ nearly 10,000 people and spend nearly $5

billion annually) and you are still talking about total UN personnel of just around 61,400 and a total UN system dollar cost of $18.2 billion.

61,400 may sound like a lot of people, but not when you consider that more than this number—65,000 in fact—are employed by the three Disneylands in California, Florida and France. Three times as many people—183,000—sell McDonald's hamburgers around the world as work for the UN system.

And $18.2 billion might be a lot of money, but just one major multinational corporation, Dow Chemical, which happens also to have 61,000 employees world-wide, has an annual revenue in excess of $20 billion.

When you put the UN's financial problems into this kind of perspective, the solutions do not look quite so hard. Surely between us the 185 member states, with our combined defence expenditure alone of around $767 billion (as calculated in the UNDP's 1994 Human Development Report), can find that kind of money? But of course the problem of paying for the UN has now become critical because of the unwillingness, or inability, of so many of the member states (including the biggest of us all) to pay their assessed contributions—notwithstanding that the cost of these for the major developed country contributors works out at between $7 and $15 per head per year, the price of no more than one or two movie tickets in this city.

We have a short-term problem, which can and should be solved within the UN system by allowing the UN to borrow from the World Bank. But we also have a longer-term problem which, frankly, does not look as though it is going to be solved—however much we continue to work at adjusting assessment scales, and however much we exhort member states to pay up, and remind them of the consequences under Article 19 of the Charter if they fail to do so.

So what are we to do about all this? In my judgment, it is time to look again—this time very seriously indeed—at the options which do exist for supplementing member states' contributions by external sources of finance. The practicability of collecting a levy on every one of the $300 thousand billion worth of foreign exchange transactions that now occur every year remains to be fully assessed, but simple arithmetic tells us that if we strike a rate for such a levy of just .001 per cent—which hardly seems likely to have any significant economic consequences—we could generate $3 billion. And we know that if we could levy international airline passengers just $10 for every international sector flown—which would be very easily collectable indeed—we could also raise $3 billion, nearly the whole annual cost of UN peace operations.

There are as well other revenue options that have, to a greater or lesser extent, the same rational nexus with UN costs that these do, in the sense that they involve transactions which are international, which take place within a framework of law and cooperation provided by the United Nations, and can be harmed by a breakdown in international peace and security—precisely the areas in which the United Nations has a fundamental responsibility.

But traditionally a threshold objection of principle has been mounted against any such talk. Member states, it has been said, should themselves own the UN system; if the Secretariat had direct access to non-member state revenue, who knows what adventures it might be inclined to get up to. But ownership and control are totally separate issues. The UN operates on a sovereign equality principle which means that, for example, those six states which presently between them pay over 55 per cent of the UN's regular budget should under no circumstances have greater authority over how it is spent than the overwhelming majority of members who each pay much lesser proportions of the total.

Surely, whatever the funding sources involved, the crucial question is how and by whom the money is spent: it is absolutely crucial that there be appropriate control of funds by member states, with all the accountability mechanisms that implies, but that doesn't mean that those member states should themselves have to prove all the funds in the first place.

In talking to many of my foreign ministerial colleagues from a wide range of countries and across all continents on these issues over the last few days, I have found an almost unanimous reaction that the UN's present and likely continuing financial crisis demands that these issues be looked at again, without any pre-judgments of the questions of principle or practicability involved.

I would suggest, accordingly, that the time is right for the Secretary-General to convene once again a high-level advisory group, like the Volcker/Ogata group established in 1992, with a mandate explicitly to think through what has hitherto been more or less unthinkable—how to fund the UN system in a way that reaches out beyond the resources that member states are prepared to directly put into it. Such a group could report to, or work with, a committee of representatives of member states—one in existence already (like the High Level Working Group on the Financial Situation of the United Nations) or one newly created for the purpose.

A great deal of work has been already, or is being, done on many of these issues, and it should be possible for such a group to report within six months or so, and certainly within a year. The parameters of the debate have to be changed, and for that to happen we need an authoritative new statement of the art of the possible.

Here as elsewhere, we have to move forward. We have to look to new ideas. We have to encourage humankind's ingenuity to search for better ways for states to deal with each other as relationships take new shape, as new states emerge and as problems which could not have been conceived of a few years ago become the challenges of the day.

We will fail to meet those challenges if we adhere solely to the ideas and dogma of the past. The United Nations was itself founded on a mixture of idealism and pragmatism. Both were essential to build a new world fifty years ago, and in the past fifty years that idealism has not disappeared. It was an important force in bringing about the end of the Cold War, and more than anything else it was idealism that lay behind the process of decolonisation which shifted the tectonic plates of history.

To some, idealism will always be the enemy of practicality. But to others, it will always involve, more than anything else, the courage to take advantage of new opportunities, ensuring that at least some of today's ideals will become tomorrow's reality. Perhaps now, fifty years beyond San Francisco, we need to renew that idealism, and walk down some of the uncharted paths that idealists have always been prepared to tread.

WHAT THE UN SYSTEM COSTS

[1994: $US million]

Elements of UN system	Assessd contributions	Voluntary contributions	Total budgets	Personnel
Core functions (Secretariat [New York, Geneva, Vienna and Nairobi], ICJ and regional Commissions)	1,182.9	315.4	1,498.3	10,743
Peace operations (UNFICYP, UNDOF, UNIFIL, UNIKOM, MINURSO, UNAVEM, UNOMIG, UNOMIL, UNAMIR, UNMIH, UNTAC, UNPROFOR, ONUMOZ, UNOSOM II, ONUSAL, UNMLTIC)	3,234.9	0.0	3,234.9	[71,284]
Related programs and organs (UNCHS, UNCTAD, UNDP, UNEP, UNFPA, UNHCR, UNICEF, UNIFEM, UNITAR, UNRISD, UNRWA, WFP, International Drug Control, International Trade Centre and OPCW)	1,512.2	3,322.1	4,037.3	22,515
Independent specialized agencies (FAO, ICAO, ILO, IMO, ITU, UNESCO, UNIDO, UPU, WHO, WIPO, WMO and IAEA)	2,113.1	1,671.4	3,784.5	18,179
Bretton Woods Institutions (IBRD, IDA, IFC, IFAD and IMF)	444.1	4,436.9	4,881.0	9,991
Total	8,490.2	9,745.8	10,236.0	61,428

Notes.—Budget data: for core functions, derived from 1994–95 data in proposed budget for biennium 1996–97 (A/50/6), halved to produce annual figure; for peace operations, provided by the Peacekeeping Financing Division; for specialized agencies and IAEA, derived from relevant biennium budgets, halved in produce annual figure; for related organs and programs and Bretton Woods Institutions, derived from UN and World Bank sources and compiled by Department of Foreign Affairs and Trade and ALISAID, Canberra. Personnel data: core function personnel include both established and extra-budgetary posts; peace operations figures as at 30 June 1994 from Report of the Secretary-General on the Work of the Organization in 1994 (A/48/1).

POLITICS AND THE DEAD ARTS OF COMPROMISE

• Mr. SIMON. Mr. President, when the New York Times ''Week in Review'' section had an article by Adam Clymer titled, ''Politics and the Dead Arts of Compromise,'' I read it and cut it out for my future reference. I have just reread the article, and it is such a significant insight into where we are and where we're going or where we're not going, that I want to insert it into the RECORD.

We have become increasingly an excessively partisan body. I do not blame either party specifically for that. I have seen that grow over the years, and it has hurt our country, and it has hurt the two-party system.

What is essential is not that we win public relations battles, but that we work out practical compromises to govern. That's what Adam Clymer understands, and that's what we have to understand.

I ask unanimous consent that his observations be printed in the RECORD.

The observations follow:

[From the New York Times, Oct. 22, 1995]

POLITICS AND THE DEAD ARTS OF COMPROMISE

(By Adam Clymer)

WASHINGTON.—The most serious debate in at least three decades over the role of government in American life is being conducted in the nation's capital these days—with all the dignity of a 30-second spot.

Polls are used to consider timetables for possible negotiations, as each side ponders its moment of maximum advantage. Television spots about Medicare have employed slogans only minimally more civil than ''liar, liar, pants on fire!''—which, of course, is their underlying message.

And focus groups scripted the debate that preceded the House's vote Thursday to curb $270 billion in spending for Medicare and make wrenching changes in the centerpiece of Lyndon Johnson's Great Society. Democrats may not have needed any research before accusing the Republicans of slighting the elderly to help the rich; that may be not be thoughtful, but it is instinctive. But when Republicans said ''preserve and protect,'' over and over, they were following their pollsters' advice, not engaging in a serious discussion.

Even the most ordinary tasks of Congress are subordinated to political tactics. Only three of the 13 spending bills that Congress had promised to complete before the fiscal year began three weeks ago have gone to the White House. Some of those bills have real problems, and may be hard for even Republicans to agree on.

But a few days ago Speaker Newt Gingrich explained the delay in purely tactical terms. He said he thought President Clinton would try to make headlines by vetoing them, and snapped, ''I'm not going to give his Presidential campaign new cheap-shot photo-ops.'' (In past Congresses, the dynamics were only a little different: Democrats invited vetoes by passing bills they knew Presidents Reagan and Bush would reject, seeking campaign issues for the next election.)

ARRANGING SURRENDER

One reason that major legislation and national issues are being approached with the winner-take-all-quality of elections is that the normal process of getting things done in Washington, compromise, has become synonymous with capitulation. If compromise is evil, then who needs negotiations? All that's needed to arrange are the terms of surrender.

Kathleen Hall Jamieson, dean of the Anneberg School of Communications at the University of Pennsylvania and an expert on political language, suggests the problem is more than rhetorical. ''The thing that the word 'compromise' was designed to describe—the process by which you forge consensus—is no longer an acceptable part of the political process,'' she said. That was especially true in the House, she said, where ''institutional courtesies'' like consideration for the minority and civility in debate have fallen into disuse.

Republicans, driven by a huge and unbending freshman class, offer no apologies. Representative David M. McIntosh, an Indiana freshman, explained last week: ''When we went home in August, we all heard from the public, 'Don't back down, don't give in to the Senate or the President.' We came back and we told the leadership that we won't back down, and we haven't.''

Mr. Gingrich knew what was coming, for right after the election last year he proclaimed himself ''very prepared to cooperate with the Clinton Administration,'' but ''not prepared to compromise.'' And even Senator Bob Dole, the majority leader, who has built a considerable legislative reputation on making deals, said last month, ''This will not be an autumn of compromise, make no mistake about it.''

Mr. Clinton does not always spurn compromise. But he has not given it a good name, either. Last week he even seemed to be trying to cut a deal with himself on the subject of taxes, first sounding contrite that he had raised taxes ''too much'' in 1993 and then pronouncing himself proud of that year's budget. But he has been attacking many of the Republicans' spending cuts as ''extremist,'' so he risks being accused of surrender if he reaches an agreement with them on next year's budget.

FEATS OF CLAY

House Democrats will oppose almost any deal that involves spending cuts; they don't believe in them. But Mr. Clinton also fears attacks from the press, which cannot believe that Mr. Clinton can give ground to help the country, but only because he is wishy-washy.

Compromise was once highly prized in American politics, at the Constitutional Convention, in the Republic's early days, and when Henry Clay, the dominant lawmaker of the first half of the 19th century, was hailed as the ''Great Compromiser.''

But in the years leading up to the Civil War, compromise lost its good name. Abolitionists held slavery to be a moral abomination, and Abraham Lincoln himself rejected a pre-inaugural effort to preserve the Union by guaranteeing slavery forever in the states where it then existed.

Joel Silbey, a Cornell University historian, noted that compromise again fell into disrepute just before the Progressive Era, when ''government seemed to be forever compromising with evil power.'' Like the Civil War period, and like today, he said, that was a time when outsiders got involved in the political process and scorned its traditions.

An important House Republican leadership aide said the same circumstances prevailed today: ''The American people think that politicians, once they get to Washington, are all too willing to give up their principles, wedded to a system of selling out.''

Today's politicians find a lot of moral imperatives, like the difference between achieving a balanced budget in 2002 and, say, 2003. Not Mr. Clinton, who has said at various times that it would take five years, seven years, eight years or nine. But seven years is what the Republicans say they must have—or else.

There are Democrats who speak of cuts in Medicare in the apocalyptic terms they would use if faced with a bill completely repealing this greatest of the Great Society's programs. And there are Republicans, like Mr. McIntosh, who look in absolute terms on a pet project of his and Representative Ernest Istook's—an effort to prohibit groups that get any Federal money from lobbying the Federal Government, ever. They threaten to hold all other legislation hostage until they get that prohibition adopted.

Norman Ornstein, the Congressional scholar from the American Enterprise Institute, says there may be 100 House Republicans ''who believe, deep down, that compromise is a bad thing.'' He said the leaders were giving themselves very little breathing room by leaving only three weeks to get major bills passed and then settle things before the debt limit expires Nov. 12. ''It's a dangerous end game,'' he warns.

Earlier this month, it seemed both sides might negotiate. But the Clinton side thought the Congressional quest for Medicare cuts was hurting the Republicans and saw no reason to give ground. It may be only when both sides think the public will blame them for stubbornness that they may sit down together.

If so, politicians may be too busy testing attack phrases—like ''tax cut for your wealthy contributors,'' or ''a joke wrapped in fraud and shrouded by farce''—to judge the public clearly.

Peter D. Hart, a Washington pollster, said a recent poll conducted for NBC News and The Wall Street Journal showed that a majority of Democrats wanted the President ''to make adjustments to reach compromise'' with Congressional Republicans on budget issues and that a majority of Republicans wanted their lawmakers to compromise with Mr. Clinton.

''Compromise may be a dirty word in Washington,'' he said. ''But out among the public it is a very positive term.''●

The PRESIDING OFFICER. The Senator from West Virginia is informed that, under the circumstances, morning business would have been closed. Does he ask consent to continue that for a time in excess of 5 minutes?

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak out of order for such time as I may consume.

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

THE BUDGET RECONCILIATION PROCESS

Mr. BYRD. Mr. President, last Friday, in the early hours following midnight, the Senate passed S. 1357, the Budget Reconciliation Act of 1995. Here it is; it is 1,949 pages. The passage of that bill was not one of the Senate's finest hours. It was the latest, and perhaps the most striking, example to date of the misuse of the Budget Act's reconciliation process to ram through the Senate a 1,949-page monstrosity—there it is—a gigantic monstrosity, which will permanently change a vast number of statutes in ways that no Senator can possibly understand.

The fast-track reconciliation procedures that were established in the Congressional Budget Act of 1974 were never intended to be used as a method to enact omnibus legislative changes under expedited, non-filibusterable procedures. I know, because I helped to write the Congressional Budget Act in 1974, and it was never in my contemplation that the reconciliation legislation would be used in this fashion and for these purposes—never! I would not have supported it; I would have voted against it.

As a matter of fact, I would have left some loopholes in that legislation, which would have saved us, and which would continue to save us from stultifying ourselves by using such procedures to pass legislation which otherwise would be debated at great length, amended many times, and assure the American people that their representatives here knew what they were doing when they passed the legislation. So it was never intended to be used in that fashion. Yet, that is what has occurred under the reconciliation process.

Beginning in 1981, the Senate Budget Committee has piled together whatever changes the authorizing committees have recommended, and that is in accordance with the law. The Budget Committee has to do that. It has no alternative. It has no recourse. It cannot amend, substantively, measures that come to it from the authorizing committees. And the Budget Committee then must present this package to the Senate in the form of a reconciliation bill, often with little regard as to

whether there was any deficit reduction purpose for such provisions, as was intended by the 1974 Budget Act.

The temptation to get such extraneous provisions into reconciliation acts is almost irresistible because of the fact that reconciliation bills, as I say, cannot be filibustered, opportunities to amend reconciliation bills are extremely limited, and the time for consideration of the measure is super extremely tight.

That was the reason for my amendment to the Budget Act in 1985. In offering what is commonly called the ''Byrd Rule''—I have noted that in the press it was referred to as the ''so-called'' Byrd Rule. I do not know what the press means by the ''so-called'' Byrd Rule. It is the Byrd Rule. My purpose was to curb this tendency to throw everything, including the kitchen sink, into reconciliation acts.

Now, the Byrd Rule has proved its efficacy. It might well be compared to Cerberus, which was—as referred to by Hesiod, the Greek epic poet, who lived in the 8th century B.C.—a hydra-headed dog that had three heads, according to Hesiod, and it guarded the entry into the infernal regions. That is what the Byrd Rule does. It may be termed a ''hydra-headed'' piece of work, but it guards the entry into the regions of legislation, the entry of extraneous matter—Cerberus. Since its adoption, the Byrd Rule has had some success—considerable success, I would say—in removing extraneous matter from reconciliation bills.

In this year's reconciliation bill, for example, the Democratic staff of the Budget Committee identified almost 250 provisions in the reconciliation bill, as reported by the Budget Committee which were, in their view, violations of the Byrd Rule. The list prepared by the Republican staff totaled almost 200 Byrd Rule violations. So it is obvious that Senators are going to continue to attempt to use the reconciliation bill as a vehicle to which they hope to attach their favorite legislative programs and provisions, whether such provisions are extraneous or not.

Mr. President, I have here at the desk—and I have already shown it once to the viewers—the Senate reconciliation bill, S. 1357. It consists of two volumes and a total of 1,949 pages.

Now, Senators received these two volumes—these 1,949 pages—on Wednesday of last week. They showed up on our desks on Wednesday. That was the same day that the 20-hour clock started ticking on this reconciliation bill. Debate is limited to 20 hours on the reconciliation bill. Can you imagine? Twenty hours on these two volumes, 1,949 pages!

The bills just appeared the same day. A motion to proceed to take up that bill was not debatable, and so when the motion was made, the bill was ipso facto immediately before the Senate, and the clock was running.

I would hope that the American people who are viewing what I am saying here through that camera can put themselves into the shoes of those of us who are elected by those people to represent them in this great legislative Chamber.

People expect out there, expect us to know what we are doing. Passing the reconciliation bill was like playing blind man's bluff at a blind man's ball.

Imagine walking around here with a handkerchief around one's head and over one's eyes, voting blind. It cannot be aptly described in any lesser fashion. Not one Senator—not one—and there are some pretty bright Senators in this body, excepting myself—not one Senator really knew what he was voting on when he voted for that bill.

No committee held hearings on this bill. Several committees held some hearings on portions of it but no committee held hearings on the whole bill. There was no committee report, nothing by which we might be guided, except our own staffs. They were hit with the same problem at the same time.

Yet, we only had 20 hours on which to act on the bill. Everything counted against that 20 hours except, say, the reading of amendments, the time that was consumed on rollcalls, the time consumed on some quorum calls, and the time consumed by the Chair in response to parliamentary inquiries and so on.

That was an impossible—impossible—assignment. When the Senate completed action on its version, the 1,949 pages, it was only partly done with its work because the conference will now take place between the two Houses on the two differing versions of the reconciliation bill.

I now hold in my hand the House version. This is the House version of the reconciliation bill as passed by the House and sent to the Senate—two volumes, 1,839 pages. The House did its work, in less time. The House only had 6 hours!

That is beyond my imagination or comprehension, really, that a body of 435 persons could work its will in a knowledgeable, knowing, wise way in 6 hours on a bill consisting of 1,839 pages—that was 110 pages less than we saw on the Senate bill. That is the House bill.

Now, when the Senate completed its work, it ended up with a bill consisting of 1,862 pages—two volumes. So when the House and Senate conferees go to conference, this is what they have to contend with—these four volumes I hold in my hands. They are supposed to resolve the differences between the two Houses on the separate versions of the bill as passed by both Houses.

When the conference is completed, the conference report will come before the Senate under a time limitation of 10 hours—10 hours. We are going to get this thing back! We are going to get the conference report on this Leviathan. The conference report, we will have all of 10 hours to debate that.

There will surely be a number of brand-new items and provisions that will be included in the conference report which have not yet been considered by the Senate. Yet, as I say, Senators will have only 10 hours to debate that conference report and amend it—if there is an opportunity to amend, if there are amendments in disagreement.

The 20-hour cap on reconciliation bill and 10-hour cap on conference reports to reconciliation bills is simply woefully inadequate for Senators to carefully examine these massive, nearly 2,000-page reconciliation bills and to offer and debate their amendments.

So that is why I offered an amendment during the debate on this reconciliation bill to extend the 20-hour cap to 50 hours on reconciliation bills and to extend the 10-hours to 20 hours on reconciliation conference report.

Do you know what happened? My amendment died on what was almost a party-line vote. One Republican, I believe, the able Senator from Vermont [Mr. JEFFORDS], voted to extend this time.

Mr. President, the lack of time allowed for Senate debate on reconciliation bills, means in fact that extremely narrow and often very unwise provisions can be easily hidden in these huge reconciliation packages. This year's bill for example appears to be very close to a repeat of Reaganomics. What do I mean by that? Massive tax cuts for the wealthy, together with a huge military build-up, paid for by devastation in public investments for transportation, education, and research, and by steep cuts in medicare.

During the campaign for the Republican nomination in 1980, candidate Bush had said that the Reagan revolution was based on ''voo-doo'' economics. And, we should not forget the warning of Majority Leader Howard Baker that the 1981 Reagan tax cut amounted to a ''river boat gamble.''

Mr. President, we lost that gamble.

The Nation is still paying the price for that ''river boat gamble'' in terms of the national debt and the interest on it that was run up during President Reagan's eight years. On the day that Mr. Reagan took office, the national debt stood at $932 billion. It took the Nation 192 years and 38 different Presidents (39 different administrations) to reach a debt of $932 billion. Yet, on January 20, 1989, the day that Mr. Reagan left office, the national debt was $2.683 trillion.

Mr. President, how much is $1 trillion? How long would it take to count $1 trillion, at the rate of $1 per second? Would it surprise you to know that it would take 32,000 years to count $1 trillion at the rate of $1 per second?

So, the national debt had mushroomed like the prophet's gourd, overnight, to $2.683 trillion.

In other words, after the eight years of the Reagan Presidency, the budget was not balanced, as he had promised. Instead, the ''river boat gamble'' had left us with an 8-year string of record breaking deficits and a resulting increase in the national debt of $1.751

trillion. Yet, we, supposedly intelligent men and women, have embraced that same failed economic theory all over again in this reconciliation bill that we just recently passed. Reaganomics was a disastrous policy and it is unbelievable that our learning curve is so flat.

I have been reading about the poor performance of American students in history, American history, and many other subjects, for that matter. I noted just a day or so ago in the newspapers—and I can believe some of what I read in them—that the performance of American students in American history classes is dismally poor—dismally poor. That is not to be compared with our own performance, which is much worse. It is unbelievable that our learning curve is so flat, so flat that in passing that reconciliation bill we would do it all over again. Do what all over again? Embrace the same failed economic policies that failed during the administration of Mr. Reagan. But that is exactly what has happened.

We have dusted off old, tired, discredited Reaganomics, rechristened it a ''Contract With America'' and slammed-dunked it into law through this crazy, crazy, convoluted process called Reconciliation. The so-called Contract With America.

Mr. President, among the 1,949 pages of that reconciliation bill, there appeared provisions calling for $245 billion in tax cuts over the next 7 years—$245 billion in reduced Federal revenues at the same time that we are trying to balance the budget.

I hear this blather in here practically every morning on the Senate floor by a few Senators who think the reconciliation bill was something akin to the Second Coming. We have reached the millennium, to hear them talk about it. They talk about how great this reconciliation bill was, how we have balanced the budget, and how we have lifted the burden off our children and grandchildren because we have balanced the budget with this reconciliation bill—they say.

Aristotle said of Callisthenes, ''He is eloquent indeed, but he wants common sense.''

So that is the way it is. We hear a great many eloquent speeches about what a tremendous step we have taken in lifting the burden off the backs of our children and grandchildren by passing this reconciliation bill. We will have balanced the budget in 7 years. But at the same time, out of the same mouths, we hear that we have also cut the taxes, cut taxes for the American people to the tune of $245 billion. How can you do both? How can we possibly balance the budget on the one hand in 7 years, and on the other, hand out $245 billion in tax cuts? It does not make sense!

I sometimes hear the Senate referred to as the Cave of the Winds—pretty aptly named. The world record for wind speed was 231 miles per hour, and it was recorded on April 12, 1934, the year in which I graduated from high school, 1934. That is the world's record for wind speed, 231 miles per hour. It was recorded on Mount Washington in the State of New Hampshire.

I know of no recording of the wind speed that we experience in this Chamber, but I daresay that climbers, who are on their way to the Himalayas and the Antarctic, would do very well to get some training in this Chamber because they would be acting under similar conditions as to wind speeds. To listen to these eloquent speeches about how much we have done for the American people and for our children and grandchildren in passing the monstrosity that no Senator—no Senator, none, not one—knows the alpha and the omega of what he did or she did in passing that legislation—is a joke, but not a funny one.

The perpetrators of this fiscal irresponsibility tell us that they can balance the budget and reduce taxes in 7 years. That is one of the mistakes that President Clinton also made in coming out for a tax cut. No, he was not going to cut the taxes $245 billion, but he was still proposing to cut the taxes—$63 billion over 5 years. That is folly! Folly, to think of cutting the taxes under these conditions—by gutting Medicare, by raising our Nation's domestic discretionary investments, and by spending so-called fiscal dividends, dividends that do not even exist, dividends that do not yet exist and may never exist.

We have seen the CBO err many times in the past in its projections as to future deficits. And over a period of 15 years—over a period of 15 years—it was in error on the average of $45 billion annually. It was off in its estimates of the deficits on the average of $45 billion a year. So we cannot believe, on the basis of CBO's projections, that the budget will be balanced in 7 years. And just one recession will knock those projections into a cocked hat. There will not be any dividend. But the tax cut will have been put in place.

Our Republican colleagues have found a way to claim that they have balanced the budget in 7 years, and provided a $245 billion tax cut—at least on paper. In reality, Mr. President, we do not know what the next 7 years will bring. And we ought to admit that right up front to the American people. We do not know. Nobody knows what the interest rates will be, what the unemployment rate will be, what the rate of growth will be, what the inflation rate will be. Nobody knows. Only God knows. And there is nobody around here who can claim to be God.

We ought to admit that right up front to the American people. We certainly cannot know for sure—despite the imprimatur of the Congressional Budget Office—that a $170 billion fiscal dividend will rise from the dust like the phoenix from the ashes, from the dust of this budgetary demolition. All we can be sure of is that, if this reconciliation bill ever becomes law, there will be a $245 billion tax cut—right up front. You can hang your hat on that. Not many people wear hats anymore. But if you have one, you can hang it on that. There will be a $245 billion tax cut for the well-to-do. That is all we can say for sure right now in October 1995.

Mr. President, I cannot claim to know for certain the intentions of my colleagues on the other side of the aisle who promulgated this imprudent tax cut. But I can intuit what appear to be the roots of this fiscal irresponsibility. These roots were planted in the so-called ''Contract With America.'' I did not sign on to it. I have never read it.

This is my contract with America. I carry it in my shirt pocket. It cost 19 cents when I bought it at the Government Printing Office several years ago. It is the Constitution of the United States of America. I swore to abide by that Constitution. That is my contract with America! And I have sworn to uphold that contract, to support and defend that contract with America—13 times upon entering into office over the past 49 years. That is my contract with America. I did not swear on to the impostor, the so-called ''Contract With America.'' My people did not ask me to support the ''Contract With America'' when they elected me last year. I did not get any mandate to support the so-called ''Contract With America.''

The roots of the imprudent tax cut were planted in the so-called ''Contract With America''—the legislative promissory note used by Members of the other body to ride the tide of voter hostility to power. In fact, many of the numerous tax breaks—such as the ever-popular $500 child credit and the capital gains tax reduction—came directly from that document, I am told, because I have not read it. I have read in the newspapers that it was created by the political pollsters for politicians running for office.

I was a politician running for office last year. I did not read it.

Now those same politicians are Members of Congress, with a responsibility above and beyond political paybacks. Yet, they continue to adhere to the ill-conceived doctrine that tax cuts are more important than balancing the budget. You see, the so-called ''Contract With America'' contained the promise of a balanced budget amendment. My colleagues in the Senate had the courage to defeat that constitutional hoax. And I am proud of it.

I am not above amending the Constitution of the United States. Article 5 tells us how this Constitution, this contract with America, may be amended—in article V.

So my colleagues in the Senate had the courage to defeat that constitutional hoax called a constitutional amendment to balance the budget, and I am proud of it. It is unfortunate that Senators did not find that same backbone to prevent these reckless tax cuts at a time when we are running a substantial fiscal deficit with nearly $4.9 trillion in public debt outstanding.

Let us all disabuse ourselves of the notion that tax cuts at this time are in

the best interests of the people of the United States of America. They are not. They are not in the best interests of the United States of America at this time.

It is easy to vote for tax cuts. In my 49 years in public office and in voting for tax cuts, I have found from time to time that it is an easy thing to do. It does not require any courage to vote to cut taxes. I do not believe that tax cuts at this time are in the best interests of the people of the United States.

They are fiscally irresponsible, akin to feeding chocolate to a diabetic, or like giving an alcoholic a case of bourbon for Christmas. We do the country no favor with this pandering. The voters will pay later with the toothaches of poor social and medical health services, declining public infrastructure, and the hangover of continuing huge budget deficits. And they are going to remember it.

The time will come when they will remember the advocates of this so-called ''Contract With America.'' They will remember those who advocated the tax cuts. That worm is going to turn! The only question is when.

I am reminded of Croesus who was defeated by Cyrus the Great at the battle of Thymbra in 546 B.C. Cyrus the Great did not execute Croesus but, instead, he attached Croesus to his court as an adviser. Croesus was one of the richest men in the world, King of Lydia. But he was conquered by Cyrus. Cyrus sought to extend his dominions and to enlarge them. He had been very fortunate in numerous battles. And Cyrus sought to extend his dominions beyond the Caspian Sea.

According to Herodotus, Cyrus prepared to launch a war against the Massagetae, whose ruler was a queen, Queen Tomyris. Before Cyrus crossed the river into the dominions of the Scythians, he called his generals about him, his wise men, and asked them for their advice.

He finally asked Croesus for his opinion. Croesus said, ''You have been very fortunate in adding land to land and dominion to dominion, and in winning many battles. There is a wheel on which the affairs of men revolve, and its movement forbids the same man to be always fortunate.'' Cyrus invaded and lost the battle. He had been warned by this queen not to invade. She had said, ''Oh, Cyrus, you have been fortunate. You have added land to land, province to province, dominion to dominion, but don't invade my country. You control a vast empire. You don't need additional land. If you invade my country, I will give you your fill of blood.''

There was a great battle and Cyrus was beaten. After the battle, she sent her men out on the field to look for Cyrus. He was dead. They brought Cyrus to her. She cut off his head. She had a bag of skin filled with human blood, and she thrust the head of Cyrus into that bag of blood, saying, ''You wanted your fill of blood. I promised you that I would give you your fill of human blood. I have kept my pledge!''

So the wheel turns, as Croesus said, and this wheel, too, is going to turn. And those who are crowing about this great Contract With America and how they have balanced the budget with this monstrosity and how they are giving the American people their money back, a tax cut to the tune of $245 billion, how they are lifting the burden from the children's backs, they are going to eat those words. That is my guess. That is my opinion. The worm will turn. The wheel will turn.

I have stated time and time again on this floor that I am opposed to any tax cuts at this time—I was led down that parlous path more than a decade ago. But if we in this body are going to approve tax cuts, as we have at this time, I wish all Members had looked a little closer at exactly what was imbedded in this mammoth legislation. Mr. President, a close look at the individual components of the Republican-proposed tax cuts brings to light some striking revelations. We must pay careful attention to a Joint Committee on Taxation estimate that predicts that the tax ''cut'' provisions approved by the Senate Finance Committee will actually raise taxes for all taxpayers earning under $30,000 in the year 2000, and that this tax ''cut'' will result in a tax increase for nearly half of all American taxpayers in that same year. We must comprehend that, according to the same estimate by the Joint Committee on Taxation, those taxpayers earning over $200,000 in the year 2000 will receive an average tax break of $1,500 that year. It is interesting, even that a large part of these so-called tax cuts would not help our most needy citizens at all, while those same Americans—seniors and low- and middle-income working families—will bear the brunt of this reconciliation bill's spending restraints—the classic double whammy.

Mr. President, this reconciliation bill is an abomination. It is a travesty. It is a bad joke.

We just rubber stamped what was sent to the Senate by the Budget Committee. It was forced under the law to send to the Senate what was given to it by other committees in carrying out their instructions from the Senate. We voted for it. I did not, but the Senate adopted it—just blindfolded itself. Put the blindfold on. Rubber stamped it.

It represents a serious breach of faith. We have played fast and loose with the livelihoods and the health care of the very people who sent us here. And I doubt, I just have to doubt that any Senator fully comprehends what was in this behemoth package.

Some may claim that they knew full well what was in this package when they voted for it, but they did not really know. They did not know. Yet, whole sections of the House bill that came over here, the first House bill that came over here had whole sections of it missing on the day that we began the debate. We began the vote on this bill with no committee report, no explanatory statement to guide us and with only 20 hours to consider this mountain of paper—this bill and the House bill, one with 1,949 pages and the other with 1,839 pages. That weighs more than my little dog Billy.

The American people are angry, but as Mr. Reagan used to say, ''You ain't seen nothing yet.'' Wait until they find out, wait until they understand the hoax that has been played on them by the passage of that monstrosity.

I know they are angry. Reportedly, they have had enough of ethics problems, enough of false promises, enough of Government meddling, and so on. They have every right to be mad, to use a colloquial expression, but I submit that they are mad about the wrong issues. They ought to be mad about what just happened on this floor last Friday, last Friday night past midnight when we passed that bill. They ought to be furious about the fast shuffle we just gave them on this Senate floor that night.

If the people fully understood the blatant disregard for any semblance of responsible legislating—that is not responsible legislating—the callous dismissal of any attempt to actually represent their views or to act in their best interests, they would be out in the streets looking for us! They would be ready to vote an amendment to the Constitution saying that Members of the House and Senate could be sent to death by a bill of attainder. A bill of attainder sends one to death without a trial. If the people really understood just what went on here, they would storm this city and dismantle this Chamber brick by brick by brick!

Yet, the supporters of this bill will gloriously claim that the revolution has come—long live the revolution! But, make no mistake about it, this is no grassroots revolution. It is, rather a revolution run by the elite. It has been accomplished by the politicians, behind closed doors, for the wealthy and the big contributors, and the important lobbyists. It is a revolution of the powerful by the powerful for the powerful. Tax breaks for football coaches—can you imagine that, tax breaks for football coaches—tax breaks for motorboat enthusiasts, special benefits for a Delaware Power and Light Company, special exemptions for newspaper companies, so that they won't have to pay unemployment or payroll taxes for certain employees, tax free conversion from trust funds to mutual funds, mineral rights give aways, large corporate farm loopholes which allow them to receive below-cost water, land sales for nuclear waste dumping, these were in the bill that came to the Senate floor. I do not know how many of them will remain in the bill—or remain in it now, as a matter of fact. I did not know what was in the bill when it passed. I voted against it. That was the best thing to do. If one does not know what is in a bill, he ought to vote against it.

Do no harm. These are hardly provisions which benefit the beans and bacon crowd.

No, no, this is strictly a caviar and champagne revolution! No ordinary commoners need apply.

And it gets worse when one focuses on the fact that what I have just listed represents only the tip of the iceberg. It is only the small amount of information on special tax breaks which I so far have been able to glean regarding the blue-ribbon character of this very select revolution.

So, the rich and the powerful and the oh so very comfortable will continue to sip their white wine and murmur ever so joyously about their exclusive little ''gimme gravy'' revolution. But, while this private tea party is going on in some circles, health care for the elderly has been slashed in order to foot the catering bill.

So, mark this down as a time when the so-called ''world's greatest deliberative body,'' deliberated very little and produced nothing even close to ''great.'' We tinkered around the edges with amendments, when all the while most of us had no real idea of what was buried in the underlying bill and were provided with little time or opportunity to inform ourselves or to inform the American people about these far-reaching changes.

This reconciliation process has been twisted out of all recognizable shape. It has become the antithesis of solid thorough legislating, and it makes a mockery of minority rights and the tradition of extended debate here in the Senate.

This Senator is fond of saying, ''Est deo gratia pro Senatus!'' ''Thank God for the U.S. Senate.'' But, with regard to this sorry spectacle, I will have to alter my usual exclamation and say, ''Thank God for the Presidential veto,'' not the line-item veto, but the veto which the President is given in the Constitution of the United States—the real contract with America.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. THOMPSON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. 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. DOLE. Mr. President, was leaders' time reserved?

The PRESIDING OFFICER. Leaders' time has been reserved.

FAST-TRACK AUTHORITY

Mr. DOLE. Mr. President, Congress is now trying to put in place a plan that will reduce the tax burden on the American people, produce growth, create jobs, and put us on a responsible path to a balanced budget.

In the midst of this monumental undertaking, President Clinton would like to get Congress to give him new fast-track trade negotiating authority. He wants to negotiate more trade agreements with more countries. In fact, he has already started negotiations for new trade agreements even without fast-track authority.

Mr. President, I believe it would be a mistake to extend new fast-track authority at this time.

There are a number of good reasons, but in my view first and most important is President Clinton's complete failure to explain to the American people why we need yet another trade agreement at this time. I believe the President's effort to get new fast-track authority has most Americans shaking their heads, wondering ''Why does the President seem to want to rush into more free-trade agreements with as many countries, regions, or trading blocks as he can?''

Mr. President, the fact is we recently concluded two major trade agreements, GATT and NAFTA. I believe it only makes good common sense to step back a little and assess the results.

The ink is hardly dry on the largest trade agreement in history, the Uruguay round of the GATT, which came into force on January 1 of this year.

We do not really know what the impact of that agreement will be. We had many predictions last year, favorable and unfavorable, about the potential impact. But the agreement is unprecedented in its coverage, creating new rules for textiles, agriculture, services. It makes massive tariff cuts and lowers barriers worldwide. It establishes an entirely new and untested dispute settlement regime.

We need time to assess the impact of what amounts to the largest restructuring of our trading relationships ever.

No private entity, no corporation, no small business going through a fundamental restructuring would consider a new merger or acquisition in the middle of that process. Indeed it would be irresponsible. It could endanger the enterprise. So too for the United States as we implement the recent major restructuring of our trade relationships.

Instead of new trade agreements, let us proceed with a proposal I made last year to ensure that our sovereignty is not compromised by the new world trade organization. Although I believe the United States stands to gain overall from the GATT Agreement, many Americans remain unconvinced that the WTO will benefit them in the long run. Indeed, there is one important way the WTO could be harmful, and that is if the new dispute settlement system runs out of control. We must never submit to decisions by an unelected WTO bureaucracy if it oversteps its mandate and pursues its own agenda. My legislation, which I had hoped to have passed by now, and I hope we can pass in the near future, would set up a Dispute Settlement Review Commission that would allow us to withdraw from the WTO if our rights are being trampled by bureaucrats in Geneva.

This is the kind of legislation we need right now. We need this legislation because it will help to protect American workers and American jobs. We need to have this protection in place as soon as possible before the first WTO decisions start to come. In fact the administration supports my legislation. And yet the administration has been silent on this issue. We have had no cooperation in trying to pass and enact into law a bill that everyone agrees is good for America, good for working Americans, and good for the multilateral trading system. It provides insurance against harm, it is an insurance policy for our sovereignty. What could be more important? Certainly not more trade agreements, because we are choking on new agreements right now.

It was just 21 months ago that we entered into another major trade agreement, the North American Free-Trade Agreement. The record for NAFTA is a work in progress. The verdict is not yet in. This is so for a number of reasons. The peso crisis is the most significant, but there has also been significant disappointment with the operation of that agreement, and with the level of cooperation we have experienced since it went into effect. The operation of the NAFTA dispute settlement mechanism for unfair trade cases has also raised serious concerns in Congress and in the private sector.

So we need time to assess the real results of NAFTA as well. I do not know how President Clinton explains to the American people that the provisions of NAFTA, good and bad, should be extended to other countries when we do not yet have a clear picture of how NAFTA has benefited working Americans. We need to know how this agreement has helped the American family.

Mr. President, I believe we need to step back from this unprecedented whirlwind of new trade agreements. We need a cooling-off period, a time to digest the results. We need to focus on our domestic house, on the actions we can take here at home that will improve our global competitiveness.

But for some reason, the administration seems to be in a great hurry to pile on not just one, but many more trade agreements as soon as possible from Latin America to Asia to Europe. President Clinton seems to be saying ''Don't worry about it—I'll cut a new trade deal now and we'll figure out later if it was good for the American people.''

I have no quarrel with any country that, as part of a program of overall economic reform, pursues a trade agreement with the United States. I admire and applaud countries that eliminate barriers to trade, that reform their economies, that improve the standard of living for their people, that attempt to open up to world trade, to reverse years and decades of ill-conceived, statist policies. Getting the

dead hand of government off the backs of the private sector results in explosive economic growth. The evidence of this is irrefutable as countries around the world throw off the shackles of protectionism, high tariffs, and trade barriers, to the great benefit and enrichment of their people.

The United States is the most desirable market in the world. I understand why countries seek to gain ever better access to our market through trade agreements.

And no one has been a bigger supporter over the years of breaking down trade barriers worldwide than I have.

But Mr. President, a responsible, sober trade policy for America is not measured by the number of trade agreements we conclude with the rest of the world.

A responsible, sober trade policy for America is measured by the benefit to the American people, to the American worker, and the American family.

Mr. President, another concern that I have, and that Republicans generally have, with fast-track relates to our experience during approval of the two previous trade agreements.

This administration has promised that it will add extraneous issues, such as labor and environment and maybe other issues, to any trade agreement it negotiates. I believe that linking trade to the agendas of worker rights and environmentalist activists would be a serious mistake and in the end would harm working Americans.

Mr. President, I supported the NAFTA and GATT agreements because I support increased trade and opening foreign markets to U.S. goods and services.

However, I did not support the way in which this administration used, and some would say abused, the fast-track procedures for those trade bills.

The fast-track rules were the result of an agreement between the Congress and the President. The President agreed to consult with the Congress regularly and indepth on the details of trade agreements under negotiation. In return, Congress agreed to give up the right to amend legislation implementing a trade agreement after its submission to the Congress, and further agreed to consider the implementing legislation in a limited time concluding with an up-or-down vote, without amendment.

The fast-track rules were crafted to provide a sensible way for negotiating the elimination of trade barriers with other countries. The purpose of requiring considerable consultation between the President and the Congress was to arrive at a consensus on the content of an acceptable agreement. If you did that, you did not need a lot of amendments. That was the original intent.

The fast-track rules were never meant to operate as a vehicle for matters that lay well outside any consensus.

Fast-track was never meant to be a vehicle for matters on which there was fundamental disagreement.

The fast-track procedures were used effectively for a long time. Through four administrations trade agreements were negotiated and submitted to Congress under fast-track rules, and the process worked pretty well.

But when the Clinton administration arrived, this changed.

Despite warnings from Republicans, then in the minority, the administration insisted on labor and environment side agreements accompanying the NAFTA. We opposed these side deals for a simple reason: linking trade to other issues like these winds up hurting us more than others.

Now the President has stated that if Congress gives him fast-track authority, he is committed to extending these labor and environment provisions to other countries in any trade agreement he concludes with them.

Mr. President, this is unacceptable. We cannot and must not burden our trade relationships with the agendas of any number of special-interest groups. The President seems to want to use fast-track once again to advance interests other than trade. We must not permit that to happen.

During the GATT debate, we had a similar experience. Despite numerous warnings from Republicans, the President submitted an implementing bill that was full of provisions that had nothing to do with trade. One in particular was an incredible multimillion-dollar handout for a few telecommunications companies. It had no reason to be in that bill. It was strictly special interests, and some would say really special interests because of their links to certain people in the administration.

These additional provisions could not be removed, because of the fast-track rules. Members of Congress in both Houses were powerless to act against this abuse of the fast-track procedures.

Mr. President, most of us remember these events very clearly. We explicitly warned the administration at the time that stretching the fast-track rules to the breaking point would jeopardize reauthorizing fast-track in the future.

Well, Mr. President, as they say, the future is now. I do not believe Congress should extend new fast-track authority until we have had an adequate cooling-off period following the 2 recent major trade agreements and until there is no possibility that the fast-track procedures can be abused. I also believe this is the view of the majority of the American people, and I happen to believe it is the majority of those of us in the Senate on each side of the aisle.

The American economy is the most innovative, most technologically advanced and most productive economy in the world. I want to keep it that way. I want to make sure American goods, commodities, and services get a fair opportunity in the world marketplace. I want to tear down unfair trade barriers and make it clear to our trading partners that unfair trade practices that harm American companies and jeopardize American jobs will not be tolerated.

Mr. President, we do have an obligation to set a higher standard for the world in the matter of trade relations and economic policy. And in discharging that obligation, we must never give in to the temptation to sacrifice real gains for mere appearances.

We do have an obligation to demonstrate to our trading partners our seriousness of purpose in bringing about a more open world trading system.

But this is not achieved through a haphazard rush to sign more trade deals with more countries as quickly as possible. Trade agreements are not trophies. A policy that treats them as trophies is wrong and is not in the best interests of America or of working Americans.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 5 P.M. TODAY

Mr. DOLE. Mr. President, I ask unanimous consent that the committees have until the hour of 5 p.m. today to file any legislative or executive matters, and further, that the RECORD remain open until 5 p.m. today for the introduction of bills and statements.

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

MAKING MAJORITY APPOINTMENTS TO THE JOINT COMMITTEE ON THE LIBRARY AND THE JOINT COMMITTEE ON PRINTING

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 192, submitted today by this Senator.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 192) making majority appointments to the Joint Committee on the Library and the Joint Committee on Printing.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. I ask unanimous consent that the resolution be agreed to, and the motion to reconsider be laid upon the table.

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

So the resolution (S. Res. 192) was agreed to, as follows:

S. RES. 192

Resolved,

The following are named majority party members on the part of the Senate to the Joint Committee on the Library: Mr. Hatfield (chairman), Mr. Stevens, and Mr. Warner.

The following are named majority party members on the part of the Senate to the Joint Committee on Printing: Mr. Warner (vice chairman), Mr. Hatfield, and Mr. Cochran.

ORDERS FOR MONDAY, NOVEMBER 6, 1995

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m., Monday, November 6; that following the prayer, the Journal of the proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and there then be a period for the transaction of morning business until 1 p.m., with Senators permitted to speak therein for up to 5 minutes each, with the following exceptions: Senator MURKOWSKI, 20 minutes; Senator FEINSTEIN, 10 minutes; Senator DASCHLE or his designee, 60 minutes; Senator THOMAS, 60 minutes.

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

PROGRAM

Mr. DOLE. Mr. President, for the information of all Senators, the Senate will be in a period of morning business on Monday until 1 p.m. At 1 p.m., it is the hope of the majority leader to turn to the consideration of the State Department reorganization bill, S. 908, if agreement can be reached. The Senate may also be asked to turn to other legislative items cleared for action. Senators are reminded that there will be no rollcall votes during Monday's session of the Senate. Under a previous unanimous-consent agreement, the Senate will begin consideration of H.R. 1833, the partial-birth abortion bill, at 11 a.m. Tuesday, November 7.

Senators should be reminded that the Senate will adjourn for the Thanksgiving holiday at the close of business on Friday, November 17, to reconvene on Monday, November 27. That is always subject to change without much notice, depending on whether we get all the work done with reference to increasing the debt ceiling and continuing resolution and, hopefully, passage of the conference report on the reconciliation bill and all that going to the President for his review.

ORDER FOR ADJOURNMENT

Mr. DOLE. If there be no further business to come before the Senate, I ask that after the statement by the distinguished Senator from Montana, Senator BAUCUS, the Senate stand in adjournment under the previous order.

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

The Senator from Montana.

(The remarks of Mr. BAUCUS pertaining to the introduction of S. 1392 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

ADJOURNMENT UNTIL 10 A.M., MONDAY, NOVEMBER 6, 1995

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 10 a.m., Monday, November 6.

Thereupon, the Senate, at 4:01 p.m, adjourned until Monday, November 6, 1995, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 3, 1995:

DEPARTMENT OF THE TREASURY

JOSHUA GOTBAUM, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF THE TREASURY, VICE ALICIA HAYDOCK MUNNELL, RESIGNED.

DEPARTMENT OF LABOR

ANNE H. LEWIS, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF LABOR. (REAPPOINTMENT)

IN THE COAST GUARD

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD FOR PROMOTION TO THE GRADE OF REAR ADMIRAL:

JOHN E. SHKOR
PAUL E. BUSNICK
JOHN D. SPADE
DOUGALS H. TEESON
EDWARD J. BARRETT

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD FOR PROMOTION TO THE GRADE OF REAR ADMIRAL (LOWER HALF)

JOSEPH J. MCCLELLAND, JR.
JOHN L. PARKER
PAUL J. PLUTA
THAD W. ALLEN

IN THE ARMY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE U.S. ARMY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, UNITED STATES CODE

To be lieutenant general

LT. GEN. PAUL E. FUNK, 000–00–0000, U.S. ARMY.

THE FOLLOWING U.S. ARMY RESERVE OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTIONS 3371, 3384 AND 12203(A):

To be major general

BRIG. GEN. JORGE ARZOLA, 000–00–0000.
BRIG. GEN. WILLIAM E. BARRON, 000–00–0000.
BRIG. GEN. TOMMY W. BONDS, 000–00–0000.
BRIG. GEN. WILLIAM N. CLARK, 000–00–0000.
BRIG. GEN. GEORGE W. GOLDSMITH, JR., 000–00–0000.
BRIG. GEN. RALPH L. HAYNES, 000–00–0000.
BRIG. GEN. WILLIAM B. HOBGOOD, 000–00–0000.
BRIG. GEN. CURTIS A. LOOP, 000–00–0000.
BRIG. GEN. JAMES M. MCDOUGAL, 000–00–0000.
BRIG. GEN. WILLIAM C. MERCURIO, 000–00–0000.
BRIG. GEN. EVO RIGUZZI, JR., 000–00–0000.

To be brigadier general

COL. PATRICIA J. ANDERSON, 000–00–0000.
COL. WILLIAM S. ANTHONY, 000–00–0000.
COL. DAVID R. BOCKEL, 000–00–0000.
COL. ROBERT W. CHESTNUT, 000–00–0000.
COL. RICHARD E. COLEMAN, 000–00–0000.
COL. JAMES M. COLLINS, JR., 000–00–0000.
COL. PERRY V. DALBY, 000–00–0000.
COL. WILLIAM N. KIEFER, 000–00–0000.
COL. ROBERT M. KIMMITT, 000–00–0000.
COL. ROBERT A. LEE, 000–00–0000.
COL. PAUL E. LIMA, 000–00–0000.
COL. RICHARD D. LYNCH, 000–00–0000.
COL. ROBERT G. MENNOMA, JR., 000–00–0000.
COL. H. DOUGLAS ROBERTSON, 000–00–0000.
COL. JON R. ROOT, 000–00–0000.
COL. JOHN L. SCOTT, 000–00–0000.
COL. GERRY G. THAMES, 000–00–0000.
COL. THOMAS A. WESSELS, 000–00–0000.