adolescence, he has stressed the need for families, schools and communities to work together in our children's interest. In a life of wisdom, courage and purpose, David Hamburg has exemplified the finest tradition of humane, social engagement.

Mr. President, I am pleased and honored to pay tribute to David Allan Hamburg, a truly distinguished American.

RATIFICATION OF THE CHEMICAL WEAPONS CONVENTION

Mr. NUNN. Mr. President, I rise to the floor today to speak in support of the ratification of the Chemical Weapons Convention as reported out of the Senate Foreign Relations Committee. Unfortunately, consideration of the Convention by the Senate has been postponed until next year. I will no longer be here when this important matter is undertaken, in terms of voting on this matter, before this body. In the closing days of this Congress, I want to put on the record today my strong support for the ratification of this important agreement.

Mr. President, now that the cold war is over, the single most important threat to our national security is the threat posed by the proliferation of weapons of mass destruction.

Over the last year a series of hearings have been held in both the Foreign Relations Committee and in the Permanent Subcommittee on Investigations that have clearly documented the threat posed to the United States by the proliferation of weapons of mass destruction.

During these hearings, representatives of the intelligence and law enforcement communities, the Defense Department, private industry, State and local governments, academia, and foreign officials described a threat that we can not ignore, but for which we are unprepared.

For one, CIA Director John Deutch candidly observed, ''We've been lucky so far.''

In July, the Commission on America's National Interests, co-chaired by Andrew Goodpaster, Robert Ellsworth, and Rita Hauser, released a study that concluded that the number one ''vital U.S. national interest'' today is to prevent, deter, and reduce the threat of nuclear, biological, and chemical weapons attacks on the United States. The report also identified containment of biological and chemical weapons proliferation as one of five ''cardinal challenges'' for the next U.S. President.

Mr. President, I firmly believe, based on a wide variety of testimony and other presentations from credible academics, government officials, and others, that the threat posed by proliferation of chemical and biological weapons and materials is more dangerous even than that posed by the spread of nuclear materials. In the case of nuclear materials, the Nuclear Non-Proliferation Treaty, or NPT, has erected barriers to proliferation that have become effective over time. In part as a result of this strengthened NPT regime, and in part because chemical precursors are widely available for commercial purposes, chemical and biological weapons and materials are much easier to acquire, store, and deploy than nuclear weaponry—as demonstrated by the Aum Shinrikyo disaster in Japan several years ago.

That cult conducted an enormous international effort to acquire, build, and deploy chemical weapons—without detection by any intelligence or law enforcement service—prior to releasing the deadly sarin gas in the Tokyo metro.

Mr. President, the judge at the World Trade Center bombing case believed strongly that the culprits had attempted to use a chemical weapon in that terrorist attack. He found that had those chemicals not been consumed by the fire of the explosion, thousands of World Trade Center workers might have been killed, greatly compounding that tragic episode.

Mr. President, Senator LUGAR and Senator DOMENICI joined me this year in introducing legislation—the Defense Against Weapons of Mass Destruction Act—that will provide over $150 million, starting next month, toward combating the threat posed to the United States by the proliferation of weapons of mass destruction. This legislation passed unanimously in the Senate, and was virtually unchanged in conference with the House. It is part of the National Defense Authorization Act for Fiscal Year 97, which has been sent to the President. I won't go into great detail here, but that legislation seeks to combat proliferation on essentially three fronts: enhance our domestic preparedness for dealing with an incident involving nuclear, radiological, chemical, or biological weapons or materials; improve our ability to detect and interdict these materials at our borders and before they can be deployed on our territory; and strengthen safeguards at facilities in the former Soviet Union that continue to store these materials to prevent their leakage onto the international grey markets and into the hands of proliferators, terrorists, and malcontents.

Mr. President, although Senator LUGAR, Senator DOMENICI, and I attempted to create a comprehensive program for addressing what we all believe is the No. 1 national security threat facing our Nation in the decades ahead, we also recognize that the enacted legislation is only a beginning, and that much more work needs to be done. We must combat this threat on all available fronts, and leave no available path untaken.

Mr. President, ratification of the CWC is an important step in the process of controlling the proliferation of chemical weapons and the technologies for their manufacture. The CWC requires all parties to undertake the following: to destroy all existing chemical weapons and bulk agents; to destroy all production facilities for chemical weapons agents; to deny cooperation in technology or supplies to nations not party to the treaty; and to forswear even military preparations for a chemical weapons program.

The Chemical Weapons Convention represents the culmination of some 15 years of negotiations supported by the last four Presidents of the United States. The agreement was concluded and signed by President George Bush near the end of his term. The Joint Chiefs of Staff support ratification. The major chemical manufacturer trade associations support ratification. The CWC has been open for signature and ratification since 1993. As of today, the CWC has enjoyed overwhelming worldwide support. It has been signed by 161 of the 184 member states of the United Nations, and 63 countries have already ratified the treaty. Those who have already ratified include all of our major industrial partners, and most of our NATO allies. The CWC will enter into force 180 days after the 65th country has ratified it. It will begin to enter into force after ratification by two additional countries, whether or not the United States chooses to ratify it.

Now, Mr. President, after years of bipartisan support, after the CWC was successfully negotiated by two Republican Presidents, after lying before the Senate for inspection for 3 years, literally at the eleventh hour, a small group of Senators has set about to defeat the ratification of this treaty. They claim to have identified a number of fatal flaws that have gone undiscovered during the 3 years and numerous hearings before the Senate, fatal flaws that have gone unnoticed by 161 nations, including all our major industrialized allies.

Those opposed to the CWC seem to view it through the same cold war lenses that have been applied to the consideration of numerous bilateral nuclear arms reduction treaties between the United States, and the Soviet Union, and between NATO and the Warsaw Pact. They insist that the kind of verification standard that we used to require in a bilateral treaty with the Soviet Union must now be applied to a convention intended to move the world community away from the scourge of chemical weapons. Mr. President, this is not a reasonable standard to apply. We insisted on parity of limitations and drawdowns with the Soviet Union because asymmetries in strategic weaponry would have been dangerous to the strategic balance. But the cold war is over; the CWC is not a bilateral treaty, and is not about the strategic balance.

In bilateral United States-Soviet arms reduction agreements, we were agreeing to reverse or forgo some weapons systems based on Soviet promises that they would undertake parallel actions. In the chemical weapons arena, we have already committed to do away

with chemical weapons and this treaty's purpose is to get other nations to do likewise.

Mr. President—to repeat, the cold war is over. The Soviet Union has dissolved. The world community now faces a serious threat from the proliferation of weapons of mass destruction, a threat that arises at least in part because of the disintegration of the Soviet Union and the loss of tight controls which that breakup entailed. The Chemical Weapons Convention is a broad treaty among many nations, intended to begin to control chemical weapons proliferation, in much the same way that the Nuclear Non-Proliferation Treaty, or NPT, set about to limit the proliferation of nuclear weapons materials and technology nearly three decades ago. When the NPT entered into force in 1970, barely 40 countries had ratified that treaty; today, well over 100 nations have joined, and the world community clearly serves to bring pressure to bear on both the nonadherent nations, and on countries like North Korea that have ratified but whose compliance is in very deep question. When the NPT was signed, a new inspection regime, under the International Atomic Energy Agency, was created to establish inspections to verify the compliance of those countries that had nuclear programs and activities.

Does the NPT guarantee that no nation will develop a nuclear weapon? Is it perfect? Is it 100 percent verifiable? The answer to each of these questions is clearly no.

There are no guarantees with NPT, nor are there guarantees with the Chemical Weapons Convention. On the other hand, does it help reduce nuclear proliferation and nuclear danger? The answer is clearly yes. The answer to those questions clearly is yes. The same will be true over a long period of time with the CWC.

Mr. President, one of the major complaints by the critics of the Chemical Weapons Convention is that it is not adequately verifiable. Clearly, a modest program to produce chemical agents can be accomplished inconspicuously. You can almost do it in the basement of your home. It can be done in a very small physical space. The CWC will impose only modest constraints, at best, on small groups of people like terrorists making small quantities of chemical weapons.

No treaty and, I might add, no domestic law, no law we could pass, could ever prevent a few people from making a small amount of chemical compounds. It could be very lethal in a small area when used in a terroristic way.

However, the fact that 160 countries have signed the Chemical Weapons Convention is bound to increase the international consciousness about the threat posed by the proliferation of these horrible weapons and materials and is bound to also heighten national concern and international cooperation in dealing both with the national threat, nation-state threat, as well as the terrorist threat.

So will it cure the problem? Will it stop terrorism? Will it eliminate chemical terrorism from being a potential threat? Absolutely not. Will it help? Yes, it will help.

As drawn, however, the CWC was not intended to primarily address the chemical weapons threat from terrorists. It is intended to eliminate national-level chemical weapons programs and to put world pressure on those nations that refuse to comply.

We need to recognize that the mere production of chemical agent is only the first step in a nation's military program to produce and have available militarily useful chemical weapons. To conduct all the subsequent steps to stockpiled, militarized weapons also in clandestine fashion is no easy feat. The critics seem to assume that every step is as concealable as a small lab required to produce some agent; this is certainly untrue.

The CWC is intended to begin a regime of data collection on the production and use of those chemicals that can readily be used in chemical weapons programs. This will be combined with a program of inspections to verify those data submissions and a system of challenging inspections to resolve ambiguities and suspicions. This will also no doubt be supplemented by what we call national technical means of verification.

We are going to have to do all this verification anyway. We do not solve any of our verification challenges in terms of terrorists, in terms of rogue nations, in terms of other nations; we do not solve a one of them by rejecting the CWC. If we are never a party to the CWC, we have all of these verification problems and challenges. Will the CWC solve them? No; it will not. Will it make it easier? Yes; it will.

Will this CWC inspection regime be ironclad from day one? Of course not. But then neither was the inspection and verification for the NPT when it first entered into force. It still is not perfect. But over the last 25 years technology has provided many new ways of safeguarding nuclear materials in peaceful nuclear energy programs around the world.

It has become much more difficult—but of course not impossible—to cheat on the NPT without running substantial risk of discovery. We should expect that the CWC will also develop more effective verification techniques once it is entered into force, techniques that one day might be more effective against the threat of terrorist use of chemical weapons and materials. But, Mr. President, if the United States does not ratify the CWC, we will not be allowed to participate in the development of the verification regime nor in the inspections themselves.

CWC safeguards are more likely to become effective faster if the United States is a party to the CWC and can bring our advanced technology to bear than if we have excluded ourselves from the administration and implementation of the CWC as the critics of this convention propose.

As former Secretary of State James Baker observed in testimony to the Senate Armed Services Committee on September 12, 1996:

> . . .[W]hen you have a lot of countries that have signed onto a treaty to eliminate these weapons, you have a much stronger political mass that you can bring to the table in any forum, whatever it is, to talk about restraints and restrictions and sanctions.

Moreover, Mr. President, to argue that we should refuse to ratify the CWC because it does not guarantee that Libya or North Korea or Iraq will be stripped of chemical weapons is to ensure that we will end up in the same category of nonparticipants with Libya, North Korea, and Iraq. Like those countries, if we do not ratify this convention, the United States will be a nonparty to the CWC. We will be subject to trade sanctions on chemical products and on technologies by all the other parties to CWC; trade sanctions, I might mention, that were proposed by our own Government under a Republican administration.

Some of the senatorial critics suggest that the negotiators should start over, that we should not enter into any limitations unless all the rogue states have been compelled to join, and unless the agreement is absolutely verifiable. Mr. President, this is mission impossible.

First, the CWC will enter into force whether the United States ratifies it or not, as I have said. It will take effect next year whether or not we are involved.

Second, the CWC itself imposes no new limits on the policy of the United States toward chemical weapons programs. By law, the United States is already committed to the elimination of all unitary chemical weapons and all unitary agent stocks by the end of 2004. By law, we are already moving in that direction. By policy decision taken by President Bush in 1991, we have forsworn the use of chemical weapons even in retaliation for their use against U.S. forces. Our Joint Chiefs also agree with that policy.

By a further policy decision by President Bush, we will eliminate our very small stockpile of binary chemical weapons as soon as the CWC enters into force, whether or not we are a party to the treaty. President Clinton has followed these same policies.

Mr. President, back in the cold war days, you could stand on the floor and say, let us reject this treaty because the Soviet Union may not comply; we may not be able to verify. Those were arguments that had great legitimacy and were very seriously important arguments because we were agreeing to draw down our weapons based on their drawing down their weapons. That was the cold war. If we were not confident we could verify it, then, of course, we

should reject that kind of treaty because we were depleting our military capability.

Here in this case, we have already decided to get rid of our chemical weapons, and the only question is whether we are going to participate in a treaty that gets other countries to get rid of their chemical weapons. It is not the same decision as cold war treaties with the Soviet Union. It is vastly different. To view it through that prism, as I think some of our colleagues are doing—I am sure in good faith from their perspective—is a profound mistake.

Mr. President, the bottom line is that the United States has already made a unilateral decision to eliminate all of its chemical weapons capabilities, whether or not we are party to the CWC. Our refusal to ratify this treaty does not help us one iota on verification. We still have all those verification challenges, and our refusal to ratify provides no bargaining leverage that I can identify against anyone whether it is Libya or North Korea or Russia, which still has large stocks of chemical weapons.

They all know that we are out of that business. Defeating the ratification of the CWC in no way restores or preserves a U.S. chemical weapons capability. To again quote former Secretary of State James Baker:

> We knew at the time that there would be rogue countries that would not participate. *** We have made a decision in this country that we're not going to have chemical weapons. We're getting rid of them. And we don't need them. We've made a policy decision that we don't need them in order to protect our national security interests. *** Whether we are able to get all countries on board or not, I think we have a critical mass of countries and I think the treaty makes sense, recognizing up front all the problems of verifying a Chemical Weapons Convention.

Finally, Mr. President, I have heard some of my colleagues argue that this treaty will pose an enormous burden and cost on U.S. industry. This argument is simply not true. If the costs and consequences to the American chemical and related industries were severe, as these critics suggest, why have the major chemical manufacturing associations not only endorsed, but also lobbied strongly in favor of ratification of the Chemical Weapons Convention? Why have 63 other nations, including most of our major industrial competitors, already ratified the CWC? Has this small group of CWC opponents discovered something that has been overlooked for the last 3 years by everyone else?

Mr. President, the truth of the matter is that the cost of implementing this regime to the vast majority of U.S. business is either negligible or nonexistent. There are two categories of chemicals made and consumed by businesses in the United States that are covered by this treaty. No more than 35 firms in the United States, all of them large corporations, produce or consume the direct precursors of chemical weapons agents that are on the first category and are subject to the strictest CWC controls.

The second category covers only large-volume producers of products that are in direct chemical weapon precursors. So no small businesses will be affected by the moderate requirements imposed by the CWC by this category.

Contrary to the argument being made by the opponents of this treaty, downstream consumers of this category of chemicals are specifically exempted from reporting and inspection requirements. While it is true that some 2,000 firms, including some small and medium-sized businesses, will be required to fill out one form per year, both private industry and the Department of Commerce estimates indicate that it will take a very small and minimal amount of time to fill out. No proprietary information whatsoever is required, and the reporting requirements are essentially the same as those already required of these businesses by the Environmental Protection Agency or other regulatory bodies.

In addition to the fact that only a small number of firms will actually be affected by the Chemical Weapons Convention, the Department of Commerce has worked very closely with the business community to develop a method of fulfilling both treaty requirements and industry requirements for protecting confidential business information. Again I would argue that if this were not the case, the American chemical manufacturing industry would not have endorsed ratification of the Chemical Weapons Convention.

Mr. President, I also point out that if the Senate continues to refuse to ratify the CWC—I am hoping the minds will be changed next year after the election is over—we are choosing to inflict international sanctions on foreign trade and one of our largest export industries, the $60 billion chemical industry. The CWC regime requires member states to impose trade sanctions against the chemical industries in nonmember states. While the entire $60 billion probably would not be immediately threatened, some $20 to $30 million would be threatened to begin with. Industry experts believe that over time U.S. interests would lose more and more business to foreign competitors who face no equivalent CWC trade sanctions from participating countries.

Mr. President, the basic bottom line which each Senator must ask him- or herself is as follows: Is the United States more likely to reduce the dangers of the proliferation of chemical weapons by joining the 63 countries that have already ratified the CWC—and the many others that will join after the 65th ratification occurs, or is America's security better served by remaining on the outside, by joining rogue regimes like Libya and North Korea in ignoring this pathbreaking effort by 161 nations to bring these terrible weapons under some degree of control?

Mr. President, I find this an easy question to answer. This is not a close question. This is not one of those questions that you can balance both sides and come out almost flipping a coin. We have many of those. This is an easy question to answer because no, it is not perfect, but yes, it does take steps in the right direction. We do enlist support from all the nations that will be signing, even those that we will have to watch very closely in terms of whether they comply.

Therefore, I would have voted to ratify the CWC had it been brought to the floor during this session. If I were here next year, I would certainly vote to ratify. I urge all of my colleagues to pursue the ratification of the CWC when it is brought up in the 105th Congress. Ratification of the Chemical Weapons Convention is in our national security interests, Mr. President, and I hope the Senate will ratify this convention next year.

I ask unanimous consent for 5 additional minutes.

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

PAYROLL TAX CREDIT PORTION OF THE USA TAX ACT OF 1995

Mr. NUNN. Mr. President, I rise today to discuss, again, another subject, the unlimited savings allowance tax legislation, USA tax, that Senators DOMENICI, KERREY, BENNETT, DODD, and I have cosponsored. I note the Senator, one of the great cosponsors here, Senator BENNETT, is in the chair today.

In previous remarks to the Senate, I addressed the issue of broader tax reform, which I will not repeat today, and, in particular, the need to make a careful review on the various tax reform proposals on an apples-to-apples basis rather than what has been done so far, which is basically comparing apples to oranges.

Today, I would like to address what I believe would be a critical component and what should be a critical component of any broad tax reform effort. That is integration of the income tax and the Social Security payroll tax.

Mr. President, the USA tax plan contains the most comprehensive solution to this issue of any tax reform proposal on the table in the form of a payroll tax. I believe no matter what emerges in tax reform, which I hope will be next year, I believe this payroll tax credit should be a central feature of that proposal. Certainly, it is a central feature and one of the strongest points in the USA tax proposal.

Mr. President, for individuals under the USA system, all income, regardless of source, forms the individual tax base. Unlike today's Income Tax Code, which is concerned about distinguishing the source of income, the USA tax proposal is more concerned about the use of that income. If your income is saved, your tax on that income is deferred. When your income is consumed, then it is taxed. In other words, you deduct your savings. From this broader