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Senate

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Almighty God, awe and wonder grip us as we think magnificently about You. You are all-knowing, all-loving, all-wise, all-powerful. We openly confess our human inadequacies and our need for You to infuse us with the strength, understanding, and compassion needed for this day.

We open our minds to think Your thoughts. We commit to You our communications with others. Help us to speak truth as we know it, but also enable us to be responsive to what others say. Free us from judgmental categorizations that make us resistant to listening to people with whom we expect to differ. Give us the humility to know that none of us has a corner on Your truth and that we all need each other to discover Your guidance together. We yield our attitudes and dispositions to Your control so that we might work effectively with others. We press on with the duties of the day with hope in our hearts. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator ALLARD, is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. ALLARD. Mr. President, I ask unanimous consent that the vote previously scheduled for 9:40 a.m. today now occur at 10:30 a.m., with the debate time on the nomination beginning at 10:20 a.m., as under the previous order.

In addition, I ask unanimous consent that the debate on the motion to proceed to S. 1269 now begin at 9:30 a.m., with the time counting as under the previous order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

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

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

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. ALLARD. Mr. President, this morning, the Senate will resume legislative session and debate on the motion to proceed to S. 1269, the fast-track legislation, with Senator ROTH in control of 3 hours and Senator DORGAN in control of 4 hours. As under the previous order, the Senate will vote on or in relation to the motion to proceed to S. 1269 at no later than 5 p.m. At 10:20 this morning, the Senate will proceed to executive session to debate the nomination of James Gwin to be U.S. district judge for the northern district of Ohio for 10 minutes as under the previous order. A rollcall vote on the nomination will now occur at 10:30 a.m. Following the vote on fast track, the Senate may debate S. 1269 or turn to any of the following items if available: the D.C. appropriations bill, FDA reform conference report, Intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action. Therefore, Members can anticipate rollcall votes throughout today's session of the Senate.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

NOMINATION OF MARGARET MORROW TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA

Mr. LEAHY. Mr. President, although I am delighted that the Senate will today be confirming James S. Gwin as a Federal district court judge, the Republican Leader has once again passed over and refused to take up the nomination of Margaret Morrow. Ms. Morrow's nomination is the longest pending judicial nomination on the Senate Calendar, having languished on the Senate Calendar since June 12. The central district of California desperately needs this vacancy filled, which has been open for more than 18 months, and Margaret Morrow is eminently qualified to fill it.

Just last week, the opponents of this nomination announced in a press conference that they welcomed a debate and rollcall vote on Margaret Morrow. But again the Republican majority leader has refused to bring up this well-qualified nominee for such debate and vote. It appears that Republicans have time for press conferences to attack one of the President's judicial nominations, but the majority leader will not allow the U.S. Senate to turn to that nomination for a vote. We can discuss the nomination in sequential press conferences and weekend talk show appearances but not in the one place that action must be taken on it, on the floor of the U.S. Senate. The Senate has suffered through hours of quorum calls in the past few weeks which time would have been better spent debating and voting on this judicial nomination.

The extremist attacks on Margaret Morrow are puzzling—not only to those

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

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of us in the Senate who know her record but to those who know her best in California, including many Republicans.

They cannot fathom why a few Senators have decided to target someone as well-qualified and as moderate as she is.

Mr. President, I ask unanimous consent that a recent article from the Los Angles Times by Henry Weinstein on the nomination of Margaret Morrow, entitled ''Bipartisan Support Not Enough For Judicial Nominee,'' be printed in the RECORD at the conclusion of my statement.

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

(See exhibit 1.)

Mr. LEAHY. This article documents the deep and widespread bipartisan support that Margaret Morrow enjoys from Republicans that know her. In fact, these Republicans are shocked that some Senators have attacked Ms. Morrow. For example, Sheldon H. Sloan, a former president of the Los Angeles County Bar Association and an associate of Gov. Pete Wilson, declared that: ''My party has the wrong woman in their sights.''

Stephen S. Trott, a former high-ranking official in the Reagan administration and now a Court of Appeals judge wrote to the majority leader to try to free up the Morrow nomination, according to this article Judge Trott informed Senator LOTT.

> I know that you are concerned, and properly so, about the judicial philosophy of each candidate to the federal bench. So am I. I have taken the oath, and I know what it means: follow the law, don't make it up to suit your own purposes. Based on my own long acquaintance with Margaret Morrow, I have every confidence she will respect the limitations of a judicial position.

Robert Bonner, the former head of DEA under a Republican administration, observed in the article that: ''Margaret has gotten tangled in a web of larger forces about Clinton nominees. She is a mere pawn in this struggle.'' I could not agree more.

Mr. President, it is time to free the nomination of Margaret Morrow from this tangled web that some extremists are trying to weave. It is time to debate and vote on the nomination of Margaret Morrow.

Mr. President, again, I am pleased we will take up the nomination of Judge James Gwin. But we are, once again, overlooking the nomination of Margaret Morrow. Ms. Morrow's nomination is the longest pending judicial nomination on the Senate Calendar, and is strongly supported by both Republicans and Democrats. The Senate ought to have the courage and the honesty to either vote for her or against her.

[From the Los Angeles Times, Nov. 3, 1997]

EXHIBIT 1

BIPARTISAN SUPPORT NOT ENOUGH FOR JUDICIAL NOMINEE

(U.S. Senate: Margaret Morrow's appointment is stalled despite backing across political spectrum. Some say she is victim of effort to downsize courts)

(By Henry Weinstein)

If ever there was an unlikely candidate to be the target for a militant campaign against ''judicial activism,'' it would be Los Angeles lawyer Margaret Mary Morrow.

An honors graduate of Harvard Law School, 47, was the first female president of the California Bar Assn., where she worked to strengthen the state's attorney discipline system.

A commercial litigation specialist, Morrow is a partner in the Los Angeles office of Arnold & Porter, one of the most venerable firms based in the nation's capital. Her clients have included First Interstate Bank, McDonnell Douglas, TWA and The Limited.

President Clinton, on the recommendation of Sen. Barbara Boxer (D-Calif.), tapped Morrow for a federal trial judgeship in May 1996. She quickly won bipartisan support—including endorsements from judges appointed by presidents Ronald Reagan and George Bush and governors George Deukmejian and Pete Wilson.

''Margaret is superbly well qualified,'' said Los Angeles lawyer Robert C. Bonner, who has served as a federal judge and head of the Drug Enforcement Administration during Bush's presidency.

She also received the highest possible rating—''very well qualified''—from the American Bar Assn.'s judicial evaluation committee. By late 1996, after a perfunctory hearing, Morrow cleared the committee unanimously. But the nomination died, along with several others in the congressional slowdown that inevitably occurs in election years.

Clinton renominated Morrow on Jan. 7. Within three weeks, trouble emerged and her nomination remains in limbo even though she was approved a second time on June 12 by the Judiciary Committee, whose chairman, Orrin G. Hatch (R-Utah), said in late September that he would push for a swift vote and support her.

Much to the surprise of her backers, particularly her Republican supporters, Morrow has become the subject of the sort of intense partisan attacks generally reserved for nominees with a long record of activism such as civil rights lawyer Thurgood Marshall or a trail of controversial decisions such as Judge Robert Bork.

Indeed, the story of Morrow's confirmation battle is in significant measure a tale about the fissures within the Republican Party about judicial nominations.

One conservative federal judge, speaking on condition of not being identified, said that, in reality, the campaign against Morrow has nothing to do with her qualifications or her views, but rather is part of a ''conscious plan to downsize'' the federal courts in the western United States with the goal of remaking them after Clinton's presidency ends.

Echoed Bonner: ''Margaret has gotten tangled in a web of larger forces about Clinton nominees. She is a mere pawn in this struggle.''

The campaign against Morrow began with a Jan. 28 op-ed piece in The Washington Times by Thomas L. Jipping, director of the militantly conservative Free Congress Foundation's Judicial Selection Monitoring Project.

Jipping contended that Morrow was likely to become an ''activist judge,'' who improperly would attempt to legislate a political agenda from the bench. Soon, Republican senators John Ashcroft of Missouri and Jeff Sessions of Alabama, both staunch conservatives, new members of the Judiciary Committee and Jipping allies, joined the attack.

Since that time, Morrow has been back to the committee for another hearing and answered three sets of questions in writing—including highly unusual questions about her positions on many California ballot initiatives during the past 10 years. She also told the committee she would adhere strictly to precedents and would have no problem applying the death penalty.

Last Wednesday, the effort to derail Morrow's nomination escalated. Ashcroft and Sessions announced that they would spearhead further opposition to Morrow and said more than 100 ''grassroots'' organizations, including the National Rifle Assn. and the Traditional Values Coalition, had joined the campaign against her.

The coalition was assembled while Ashcroft had placed ''a hold'' on the nomination, which under Senate protocol had prevented it from coming to the floor for a vote. On Wednesday, at a news conference announcing the coalition, he said he now favors a roll-call vote.

Ashcroft and Sessions pointedly reminded their colleagues that several organizations in the coalition would be ''scoring'' the votes of senators on the nomination.

Morrow's adversaries contend that she would be a ''judicial activist'' on the bench. ''She views the law as an engine for social change . . . and as a means of imposing public policy from the courts on the rest of us,'' Ashcroft asserted.

Morrow declined to respond. ''I do not believe it is appropriate for me to comment while my nomination is pending before the Senate,'' she said in a brief telephone interview at week's end.

Morrow has previously denied such characterizations. For example, in June 1996, she told the Judiciary Committee: ''I view the role of a judge as being the resolution of disputes that come before . . . him or her for resolution. So I would look to the facts of the case. I would attempt to apply the law as I understand it to those facts. And I would not seek to expand them or otherwise to use any particular case as a reason for articulating new constitutional rights or otherwise expanding what I understand to be the existing law.''

Boxer and Patrick Leahy (D-Vt.), the ranking minority member on the Judiciary Committee, came to Morrow's defense last week. Boxer described her as ''the epitome of mainstream'' and Leahy charged that a coalition of conservative activists is using Morrow as ''a fund-raising vehicle'' for their campaign to reduce the power of federal judges.

Perhaps more importantly, several staunch Republicans said the accusations against Morrow are ludicrous. ''My party has the wrong woman in their sights,'' declared Sheldon H. Sloan, former president of the Los Angeles County Bar Assn. and a close ally of Wilson. ''There is no flag burning for Margaret Morrow,'' said Sloan, describing the nominee as both an outstanding lawyer and ''a church-going, basketball mom.''

A large number of prominent Republicans have backed the nominee in writing—highlighted by rare letters of support from three conservative U.S. 9th Circuit Court of Appeals judges—Pamela A. Rymer, Cynthia Holcomb Hall and Stephen S. Trott, State Supreme Court Justice Marvin R. Baxter and state appeals court justices Roger Boren, H. Walter Croskey and Charles S. Vogel, all appointed by Republican governors, also have weighed in on Morrow's behalf, as have Los Angeles Mayor Richard Riordan, then-state

Assembly Majority Leader James E. Rogan of Glendale and Orange County Dist. Att. Michael R. Capizzi.

In an effort to unclog the nomination, Trott, who earlier served as a high-ranking official in the Justice Department under President Reagan, recently wrote to Senate Majority Leader Trent Lott (R-Miss.).

''I know you are concerned, and properly so, about the judicial philosophy of each candidate to the federal bench. So am I. I have taken the oath, and I know what it means: follow the law, don't make it up to suit your own purposes. Based on my own long acquaintance with Margaret Morrow, I have every confidence she will respect the limitations of a judicial position.''

In their letters, some of Morrow's backers have sought to clearly establish their bona fides with conservative senators.

''I am a lifelong Republican from Orange County, California,'' Costa Mesa attorney Andrew J. Guilford wrote Hatch. ''I have never voted for a Democrat in any presidential campaign. . . . I did not believe Anita Hill, I am happy that Justice Clarence Thomas is on our Supreme Court and I regret that [Robert] Bork is not on our Supreme Court. It is partly my concern over the unfair destruction of Judge Bork's judicial career that causes me to enthusiastically endorse Margaret Morrow.''

Backers of Morrow cite her intellect, character and record of public service. As president of the Los Angeles County Bar Assn., she instituted a voluntary program urging attorneys to provide at least 35 hours of free legal services yearly for the poor. And she was a member of the commission that drafted an ethics code for Los Angeles city government.

Morrow's advocates also assert that her speeches and writings have been distorted beyond recognition by her foes, particularly one sentence in a 1988 article on the initiative process that is cited as prime evidence of her ''activist'' proclivities.

In the Los Angeles Lawyer magazine article, Morrow wrote: ''The fact that initiatives are presented to a 'legislature' of 20 million people renders ephemeral any real hope of intelligent voting by a majority.''

The article was written in the wake of one of the most expensive initiative campaigns in state history, highlighted by five complicated measures dealing with insurance and attorney's fees. At the time, many charged that that television advertising about the measures was misleading, prompting widespread calls for reform.

Morrow's article did not call for abolition of initiatives. The article noted that use of the initiative had escalated dramatically in the 1980s, discussed possible reforms of the initiative and legislative processes and urged lawyers to play a role in improving government.

Croskey, an appointee of Deukmejian, said he was stunned that the article was cited as evidence that Morrow would improperly legislate from the bench.

''She was making a profound and useful criticism of the initiative process and how it could be improved,'' Croskey said. ''To metamorphose that into the conclusion that she is a judicial activist has no foundation.''

On Friday, Croskey faxed a letter to Lott urging the senator to bring the nomination to the floor for a vote. But it seems unlikely that will happen before Congress adjourns in the next few weeks. Lott, who has the power under Senate procedure to hold up the nomination indefinitely, said a few days ago that he felt no pressure to take any action on judicial nominees during the remainder of the year.

The White House declined to comment last week on Morrow's nomination.

RECIPROCAL TRADE AGREEMENT OF 1997—MOTION TO PROCEED

The PRESIDING OFFICER (Mr. ALLARD.). The clerk will report the motion to proceed.

The assistant legislative clerk read as follows;

Motion to proceed to the consideration of S. 1269, a bill to establish objectives for negotiating and procedures for implementing certain trade agreements.

The Senate resumed consideration of the motion to proceed.

Mr. DORGAN addressed the Chair.

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

Mr. DORGAN. Mr. President, the Senate, as I understand it, will be voting in about 50 minutes on the confirmation of a judge. Between now and that time, there will be time for debate on the motion to proceed to the fast-track legislation, and I intend to take a few minutes of that time. I believe Senator WELLSTONE will be here as well to speak. I wanted to begin, again, discussing this question because there seems to be a substantial amount of misinformation and there is a substantial misimpression by many people about what this debate is.

I started yesterday by saying this debate is not about whether we should have free trade or expanded trade or more trade. It is not about that. I think we should have expanded trade. I think we should lower barriers, lower tariffs—in fact, eliminate barriers, lower tariffs, and have a world in which we have more opportunity to trade. It's not about those who believe in trade and those who don't. It is a debate about whether our current trade strategy is working for this country. Does the current trade strategy work? Or is this country embarking on a trade strategy and are we in the middle of a trade strategy that, in recent years, has failed us, hurt our economy, injured our manufacturing base, has moved American jobs overseas and put us in a weaker position? I happen to think that is the case.

I want to go through some of this to describe why I am concerned about not just this fast-track proposal, but our trade policy generally. Mr. President, this is a chart that shows our net export balance. All of this red below the line represents deficits. We have had the largest net export deficits in the history of this country for 3 years in a row, and this year will make it the fourth year in a row. These are the largest trade deficits in the history of this country.

Now, I would ask the question of those trotting out here supporting the current trade strategy and saying, ''let's again pass fast-track trade authority.'' Is this going in the right direction? Is this the right trade strategy? Is this producing the right results? If so, where do you intend to go with this? Do you want to take the chart out here and go down to $350 billion a year in net trade deficits, as some are predicting will happen? Because if you think this is working, the logical extension of this is larger and larger deficits.

We are now the largest debtor nation in the world, and a significant part of that debt comes from the contributions of these trade deficits. So if you think the current trade strategy is working real well and you like this chart and you love debt, then you need to be out here saying, gee, let's pass fast track and continue doing what we are doing because it is really good for this country.

Now, Mr. President, I have said before that I used to teach economics, briefly, in college. But I was able to overcome that experience and go on to do other things in life. I am told that in the old days in ancient China, those who would travel from one region to another giving advice of the type we now get from economists had to be careful about it. That is because if they gave the wrong advice and stuck around the province too long and it was discovered what they had suggested would happen didn't happen, they were boiled, cut in two, or put on the sides of two chariots and pulled apart. We have no such dilemma posed to the economists of today.

Economists of today tell us what they think, for example, on trade. They say if you pass a trade agreement with Canada and Mexico, we will substantially increase American jobs. We passed a trade agreement with Canada and Mexico, called NAFTA, and we lost 395,000 American jobs. Where are the economists who predicted these enormous gains for our country? They are off predicting the results of fast-track and new trade agreements. It's just fine for them to keep predicting, despite the fact that they are consistently wrong.

The components of this country's economy are personal consumption—you see where that is. That is personal consumption and expenditures. That is one component. There is gross private domestic investment. Then, we have Government expenditures and investments. The fourth component of this economy is the balance of net exports. Now, if you look at this chart, is this balance of net exports a net positive or a net negative? This shows red. Why? Because it is a net negative. It is a drag on our economy. It pulls our economy down, not lifts it up.

So when the President or Members of the Senate come to this Chamber and say, gee, we are doing so well, we have more exports and we are doing so well, and it boosts our economy, they are dead flat wrong. They would not pass the beginner's course in economics, preaching that message, because net exports and the current balance of net exports is a drag on our economy. It is not a contribution to our economy.

In fact, yesterday, somebody said, well, since we have negotiated the agreement with Mexico under NAFTA, we now get more cars into Mexico that are produced in the United States.

That is true, we do. It is absolutely true. Conclusion: Was it a good agreement for our country? No, not at all. While we get a few more cars into Mexico, they send far more cars into the United States. So the net balance of auto trade between the United States and Mexico is completely out of kilter. In fact, we now import more cars from Mexico than the United States exports to the entire rest of the world. So the next time somebody stands up and talks about automobiles, and talks about what a great deal it is in terms of automobile trade with Mexico, I say tell the whole story. If you are describing a checkbook, don't just stand here and crow about the deposits. Tell us about the withdrawals. Tell the whole story.

So, Mr. President, the circumstances of trade are this. We are involved in a great deal of international trade. I support that. I insist that trade be fair to our country, to our producers, to our businesses, and to our workers. And, it is not fair. We don't have the nerve and will to require it be fair with China, with Japan, with Mexico—yes, with Canada. That is the problem. The result is huge deficits.

This chart shows that the imports of manufactured goods now in this country equal 51 percent of our total manufacturing in America. Just 16 or 18 years ago it was down to about 25 percent of our manufacturing base. Now imports equal over 50 percent of our manufacturing base.

Is that moving in the right direction? I don't think so.

Here is a chart that shows all of the fast-track authority that we have given Presidents. When the Tokyo round took effect, we had a $28 billion trade deficit at that point. We had fast track for the United States-Canada Free Trade Agreement. When it took effect we had a $115 billion trade deficit. We gave fast track for NAFTA. At that point we had a $166 billion trade deficit. Then we gave fast track to the Uruguay round. Then, we were up to $173 billion in trade deficits. Now we are at $191 billion in net merchandise trade deficits.

It is going to go higher. Do people think we are moving in the right direction? I have no idea what town they grew up in. They think this is success. It is not success. It is burdening this country with an obligation this country must repay. This country will repay and must repay nearly $2 trillion of accumulated net trade deficits with a lower standard of living in our future. That is not conjecture. It must be done because other people now have claims in the form of American dollars against our future.

Let me talk for just a moment about one of the more recent agreements, the United States-Canada Free Trade Agreement. I talked about the descriptions of the NAFTA agreement. I have told previously of the folks in ancient Rome who used to predict the future. We now call them economists. They used to call them augurs. It was the practice of augury. The practice of augury was to read the flight of birds, and evaluate the entrails of cattle, among other things, in order to portend the future. In our country we have economists. They tell us, on the one hand, and on the other hand. That is why Harry Truman said that he preferred a one-armed economist. Then they could tell us with one hand. What did the economists tell us with respect to NAFTA? They said if we would pass NAFTA with Canada and Mexico, we would have nearly 400,000—I guess 250,000, first, and some said 350,000—new jobs in America. NAFTA was passed. What we lost was 167,000 jobs to Canada, according to the Economic Policy Institute, and 227,000 jobs to Mexico.

Is that moving in the right direction? Not where I come from. We were told the trade that would come into our country from Mexico would be the product of low-skilled labor. What are the largest imports into the United States from Mexico? Automobiles, automobile parts, and electronics. That is not the product of low-skilled labor.

This last chart shows that the United States has become the world's largest debtor nation. It might not matter to people here. I don't see people coming into the Chamber worried about this. Three or four of us talk from time to time about the growing trade deficit. To most people it doesn't seem to matter. They say, ''Look at the cars we send to Mexico. Isn't that a wonderful thing?''

They come here and talk about the deposit slips in their checkbook. They don't talk about the expenditures. The net balance of trade has been negative for our country, and growing worse. It is causing substantial trouble in our country. The question is: Will we solve this? Will someone decide this is not good for our country and decide to solve it? Need it be solved by starting a trade war? Should it be solved by putting walls around our country and describing ourselves as protectionists? No, I don't think so. That is not the point. That is not what we are here arguing.

The point we are debating is that those who come here with this mantra chant of ''free trade''—just a mantra chant. You are either for free trade, or you are some xenophobic isolationist stooge who doesn't understand it. You just do not understand what the world has become. You are either for free trade, and you, therefore, understand all of the implications of that, or you just don't get it. You are for free trade, or you are a blatant protectionist, and shame on you. We are going to call you ''Smoot and Hawley.'' That is the way this debate moves very quickly. Almost, instantaneously, it moves into that kind of a discussion.

The discussion that ought to be among all of is this. We now have the largest merchandise trade deficit in the history of this country. Is it good for this country? The answer is no. The question is, What will we do about it? Does anyone here have a plan to deal with this growing, mushrooming trade deficit that hurts this country? Anybody? Has anybody heard anybody come to the floor of the Senate who chants this mantra of free trade who says anything about dealing with these mushrooming deficits? Or is it for them just the act of chanting that satisfies their soul? Is it just the act of chanting that satisfies their desire to serve?

One would hope that those who come to the floor talking about the need for expanded trade—not with some chant—with some thoughtful analysis of this country's needs would also understand the need for balanced trade and the need for fair trade, and the demand that when we say to our trading partners, ''You are strong, tough, worthy competitors of ours in the international marketplace, and we demand of you fair free trade.''

As a nation, we need to say to China, ''We demand of you that if you access the American marketplace and we will allow you to continue to do that, but when you do it you have a responsibility to this country. That responsibility is to open your marketplace to our goods.'' Don't tell us that you want to flood our marketplace with Chinese goods and then keep China's marketplace largely closed to American goods. Don't tell us that you want us to be your cash cow for hard currency, China, and you want to ship all of your goods to our country. But when it comes time to play by the book and compete, don't displace America as the largest wheat seller to China. That is not what we expect of a mutually beneficial trade relationship.

We need to say to Japan, ''Don't tell us that you want a $60 billion a year trade surplus and deficit with us every year as far as the eye can see. Don't tell us you want to access our marketplace and then tell us we can't get American goods into yours.''

That is not fair trade in any town in this country. And we ought to expect on behalf of the American economy and the American people and American workers and producers that we demand fair trade treatment from our allies and our trading partners.

Canada—we had a free trade agreement with Canada. We had an $11 billion trade deficit with Canada. We passed a free trade agreement. Now, the trade deficit has more than doubled.

In my part of the country we have a flood of unfairly subsidized Canadian grain coming through the borders. It is a virtual flood. It is sent to this country by a state trading enterprise called the Canadian Wheat Board. That would be illegal here in America. It has secret pricing. No one knows the price. It is sold by a state trading enterprise. That is a monopoly enterprise. The result is an avalanche of Canadian grain coming in undercutting our market and undercutting our farmers. It is patently unfair. And, we can't do a thing about it

because it is in the trade agreements that were negotiated with Canada. Those negotiations were done in secret, behind closed doors. These secret negotiations pulled the rug out from under our producers. So now when trade is patently unfair you still cannot stop it.

I ask someone to come to the Senate floor today or tomorrow and tell us what you propose to do to demand that Canada stop that flood of unfairly subsidized grain. What do you propose to do to demand that?

What do you propose to do to demand that China open its markets? What do you propose to do to demand China open its markets completely to American imports when it buys airplanes made and manufactured in the United States of America rather than demanding that it wants United States airplanes manufactured in China?

What do you intend to do to say to Japan that the trade agreement 10 years ago with them on beef represents the lowest expectations of trade behavior that this country has? We negotiated trade on beef. And even our cattlemen jumped for joy because we finally reached an agreement with Japan on beef. Guess what the agreement is? There remains nearly a 50-percent tariff on all American beef getting into Japan. Is that a fair agreement? No. It represents the lowest expectations we have of our abilities to require our trading partners to treat us fairly. We still have a nearly 50-percent tariff on American beef going into Japan.

What on Earth are we doing? Why is this country lacking the nerve and the will to stand up to our trading partners and say to them, ''Here is a mirror; treat us fairly because we are going to treat you like you treat us?'' From our trade standpoint, our leadership is ready for us to say our market is open to you. We lead in the spirit of free and fair trade. We lead in the spirit of expanded trade. But, we demand more of our trading partners. We demand that our trading partners provide opportunities to American producers, American businesses, and American workers to access your marketplace just as you access ours.

Is this all theory? No, it is not all theory. Those who come to the floor and talk about free trade will talk in the abstract all day long. But what this is about is who will have the jobs and the economic growth and the opportunity 5 years, 10 years, 20 years, and 50 years from now.

I have no quarrel with those who come to the floor of the Senate and say that our future is in global trade. We have a global economy. Our future requires expansion of trade opportunities. I have no quarrel with those who have read the economic textbooks that describe the doctrine of comparative advantage, and the teachings of Ricardo, and others, who describe a world in which some can more appropriately produce one product and others can more appropriately raise one commodity. To the extent there are natural advantages to each, they should trade with each other. That becomes the doctrine of comparative advantage. Each does what it is their advantage to do and, therefore, trade with each other. I have no quarrel with that.

Of course, when Ricardo wrote that, incidentally, there was only nation-to-nation trading. There were no corporations when that doctrine was described. It is not the same now when the doctrine is interpreted to mean that a comparative advantage is a political advantage rather than a natural advantage, a natural resource advantage, or some sort of production advantage.

What is a political comparative advantage? A political advantage is a government over in some recess of the world when it describes the conditions of its production as a method of production in which you can hire 12-year-olds and pay them 12 cents an hour, and you can dump the pollution into the air and the water, and you can work the kids in unsafe factories. There is a political advantage in which that kind of production is acceptable and tolerated, and produces the commodities that are then traded in the international marketplace. But, that has nothing to do with the doctrine of comparative advantage. Absolutely nothing.

The question I asked yesterday about trade is one this country needs to continue to ask. Is there a requirement for admission to the American marketplace which, incidentally, has no substitute on the face of this globe. There are more people in other countries. China has far more people than we. But there is no substitute to having access to the American marketplace.

Is there any admission to the American marketplace? I am not talking about cash, or paying money to access the American marketplace. I ask is there an admission price at all? Will the admission price be, for example, a requirement that you not employ 8-year-olds or 10- or 12-year-olds to produce in a production factory and work them 12 hours a day and pay them little or nothing?

Could we at least start way back right at the first step and say, ''Well, at least we will not accept the production of prison labor from a foreign country to come into our country and have the socks that are produced in a foreign prison hanging on a discount wall for sale to the American public?''

So we must decide what is right. We should not allow the work of foreign prisoners to come into our country because clearly that is unfair trade. So then let's step up the chain a bit, and ask ourselves: If not from foreign prisons—and I think most of us would agree that is certainly not fair trade—what about foreign factories that hire young kids, young children? I mentioned 12-year-olds. How about 8-year-olds? How about 250 million children producing around the world? Is there something that we find difficult in this country in our trade relationship in saying to another country, ''Look, you have to meet certain standards?''

We are not demanding you pay the same minimum wage they pay in Pittsburgh or Denver. We are not demanding that. But you have to meet some standards in order to access our marketplace because we don't believe American producers who risk their money to build their plant, hire their workers, and then manufacture their goods ought to have to compete against someone who manufactures the same product for one-hundredth of the price or one-twentieth of the price because they don't have the responsibility to deal with air pollution and water pollution, child labor laws, and safe workplaces, minimum wages, and all of those kind of things.

Is there any standard that represents some standard of behavior that we expect in being able to access the American marketplace? Or is this a circumstance where we have decided that those corporations, the largest in the world who are now international corporations—not national enterprises but international corporations—have decided that the expectation they have of this system is to be able to look at their corporation and evaluate where in this world can they produce most cheaply. Where can they produce least expensively? Where can they produce it, and then where can they ship that product to the most affluent marketplace and therefore expect maximum profit?

Is that the construct of this new system, the new global economy? Buy a Gulfstream; travel around the world; look out the window and find where could you produce with the least possible expense? What corner is it? Sri Lanka, Indonesia, Bangladesh? What corner of the world is it that would allow you to take that manufacturing plant that you have in Ithaca, NY, shut it down, fire the workers, move it overseas, and produce at the least possible cost, paying the least amount of money, having a factory that has the least compliance with air and water pollution, no bother about worker safety issues, and so on, no OSHA, and then produce the same product and ship it back to Ithaca to be sold on the hardware store shelf? Is that the construct?

I am afraid that is what most of our institutional discussion has been in this country about, the new global reality. The new global reality is we should not worry about what percent of the manufacturing, in terms of our consumption, is done in the United States. We should not worry about our manufacturing base. We should not worry about whether we have a strong manufacturing base. What we should worry about is consumption. How are we doing as consumers?

I suppose we are doing fine as consumers. We have ample credit cards available. In fact, just wait at home today and open your mail box. You will get another invitation for 10 more, preapproved, with substantial limit,

and if you are lucky, you can go to a discount store somewhere and probably buy something that was produced in a country that used kids to produce it, produced it less expensively, and you might—not always, but you might—be able as a consumer to purchase it less expensively at the expense of a diminished manufacturing base in this country, at the expense of a larger trade deficit, and at the expense of a lower standard of living later when this country will have to reconcile these huge and growing trade deficits.

Mr. President, let me end where I began. I know Senator WELLSTONE from Minnesota is waiting to speak. I started today by asking the question, can someone come to this Chamber in the next day or so and look at this ocean of red ink, of net trade deficits that are growing worse year after year after year, not better—can someone come here today, someone who thinks we are on the right path, who wants us to keep doing what we are doing and tell me how they believe this represents success? How do they believe this contributes to this country's well-being?

If they believe, as I do, that this ocean of red ink has made this country the largest debtor nation on Earth and it is destructive to this country's best interests. Then I say, let's in the coming hours talk about what we can do to fix this and don't tell me more of the same because that's what you are saying: We want more of the same.

This is what has happened. We have big, big deficits, getting worse. ''Let's keep doing more of the same,'' they say. I say, let's change. Let's expect more and demand more of our trading partners. Let's have open foreign markets. Let's have the nerve and the will to stand up for this country's economic interests, and let's not move quickly to the thoughtless debate that this is between those who support free trade and those who do not.

That is not what this is about. It is about those of us who believe this country has an abiding and growing trade problem and is choking on trade deficits and must stand up and do something about it for this country's sake and those who believe things are just fine and we ought to keep doing more of what we have been doing. That is what the debate is about.

I will have more to say. Let me yield such time as he may consume to the Senator from Minnesota.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair. I thank my colleague from North Dakota for his very important leadership in what is really a historic debate.

Let me say at the beginning that I don't think this is a debate where two positions are either we have walls that we put on the border of our country or we are involved in an international economy. We are a part of an international economy.

That's a false dichotomy. The question is, Are there any rules that go with this?

Let me, first of all, start out with one of the major reasons I oppose the motion to proceed to S. 1269, this reciprocal trade agreement of 1997.

I oppose it on the principle of democracy and representative accountability alone. I am opposed to fast track for that reason alone. It seems to me that we ought to understand that what we are talking about is a trade agreement which will crucially affect the quality or lack of quality of lives of the people that all of us represent, that will affect our domestic laws, everything in the world to do with wage levels, with consumer protection, with environmental protection, and it is difficult for me to understand how we could surrender our rights as Senators to an unlimited debate and the right to amendments to an important piece of legislation, indeed, to some legislation that will come before us, other agreements that will come before us up to the year 2001 that we have not even seen. Before we have even seen these agreements, we are supposed to agree to a procedure whereby we can't come to the floor and fight for the people we represent, we can't come to the floor and try to improve a trade agreement and make it work better for working families in our States. I would oppose this agreement just on this principle alone.

S. 1269 would lock us into fast-track rules for debates and votes that we are going to be taking later on in the Congress. This will lock us in until the year 2001. That is the duration of the bill's provisions. So what we are deciding right now is whether or not we are going to establish highly restrictive rules which will govern our debate and votes later on implementing bills for agreements, the contents of which we do not know at this time.

That is profoundly antidemocratic. On the principle of democracy, on the principle of being here to represent people in Minnesota, I would oppose this fast-track legislation just on this idea alone.

Let's talk a little bit about what could happen between now and 2001. We could bring Chile into NAFTA. It may be good; it may not be good. We could broaden what we call NAFTA to include additional countries in Latin America and the Caribbean, turning NAFTA eventually into a free-trade area for the Americas, FTAA. We could look to the Asian Pacific Economic Cooperation Forum, and we could negotiate these privileges as well, which could be NAFTA-like privileges, vis-a-vis countries in Asia. We might complete a worldwide multilateral agreement on investment which would be called the NIA. We could do all of these things.

But the point is that under this provision, if we enter into these agreements up until the year 2001, all of this will come to the floor of the Senate with an expedited procedure. No amendments will be in order and there will be a limited number of hours. How can we as Senators represent consumers in our States, how can we represent working families in our States, how can we be out here fighting for decent jobs and decent wages, how can we, for that matter, represent people in other countries who want to see their standard of living lifted, not depressed, and at the same time agree to these kinds of agreements—we don't even know what will be in them—with this procedure that there will be limited debate and no amendments.

This is a basic principle of democracy. I say to my colleagues we should not vote for this fast-track procedure because it denies us the ability to be out here representing the people in our States. That is what fast track is all about—an up-or-down vote on a giant bill which has a critical impact on numerous laws, these laws having a dramatic impact on the quality or lack of quality of life of the people we represent. That is one of the reasons I opposed NAFTA and one of the reasons I opposed the creation of the WTO as well.

Let me point out that one administration official testified last year that negotiators had effectively concluded 200 trade agreements since President Clinton took office in 1993—nearly 200 trade agreements—and only two of those utilized fast-track procedures. So if trade agreements can be so readily reached without the benefit of fast track, then I question the need to impose these kinds of procedures which are inherently undemocratic. They shorten the debate. We cannot come out here with amendments. We cannot come out here to represent people in our States the way we should. Therefore, I would oppose this, and I hope my colleagues will as well.

This whole idea of trade policy, which is so important, is supposed to be good for all of us, including consumers. Have the representatives of consumer groups been involved in this discussion? Certainly corporations and various economic sectors have helped to decide what our goals are, which is appropriate. But how about consumers? Consumers might be worried about downward harmonization of standards. Consumers might be worried about food safety standards and how this will affect their children. They might be worried about or oppose in principle deplorable child labor conditions in other countries. They might be worried about or oppose in principle deplorable violations of human rights of people in other countries.

Consumers, the people we represent, may say, look, we would like to make sure that this is a part of a trade agreement. But the position the administration has taken in fast track is that these concerns are excluded as trade objectives. But they probably would be included as objectives if we had a more democratic process for negotiating and considering trade agreements.

What I am trying to say is it becomes, I think, a Catch-22. If we as Senators are going to say, ipso facto, we give approval to any number of different trade agreements up through the year 2001, the provisions of which we do not even know about yet, then quite clearly what we are saying is we will not be able to come out here with amendments to protect consumers and working families, in which case I think we are going to get the same response from the administration, which is we will not make these agreements part of a trade agreement, basic protection on fair labor standards, on consumer protection, on environmental protection.

I think that is the tragic mistake we will be making if we approve fast track.

My second reason for opposing the motion to proceed is that I am not at all confident—in fact, unfortunately, I am quite certain—that as opposed to improving the standard of living and the quality of life for a majority of Americans, these trade agreements will have precisely the opposite effect.

Let me also say that I am equally concerned about trade agreements that will lead to an improvement of the quality of life and living standards of people in other countries. I am all for trade agreements that lead to an improvement of the standard of living of people in our country and people in other countries. I am not in favor of a trade agreement that ends up not being global village but global pillage, where what you have instead is a systematic violation of the rights of children, of basic human rights, of basic fair labor standards and of basic environmental standards leading to profits for the few large multinational corporations and misery for way too many people throughout the world.

Mr. President, we have had extensive debate on NAFTA, which was approved, and also extensive debate on the General Agreement on Tariffs and Trade, which ultimately led to the creation of the World Trade Organization, the WTO. I voted against implementing these trade agreements because I was concerned that these trade agreements would not take our country in the right direction. Now, as I think about it, I am afraid that the empirical evidence supports this view as well.

Let me say again, I didn't oppose NAFTA or WTO because I am a protectionist. I am an internationalist. I don't have any interest in building walls on the borders of our country to keep out goods and services. Nor do I fear fair competition from workers and companies operating in other countries. I am not afraid of our neighbors. I don't fear other countries nor their people. I am in favor of open trade, and I believe the President should negotiate trade agreements which lead, generally, to more open markets here and abroad.

Indeed, I am aware of the benefits of trade for the economy of Minnesota, and I am told about that constantly. We have an extremely internationally minded community of corporations, larger companies, small businesses, working people and farmers in our State. And we have done relatively well in this international economy. I am very proud of Minnesota's performance in this international economy.

We have lost some jobs to trade, as have most States, but we have also benefited from trade. We benefit both from the exports and the imports: The exports create the jobs, as we all know, but the imports are not necessarily a bad thing. They provide the competition for consumers and they can push our own domestic companies to do better, to be more productive and to be more efficient. Open trade can contribute significantly to the expansion of wealth and opportunity, and it can reward innovation and productivity. It can deliver higher quality goods and services at better prices.

So, what I am saying is not that we should not be involved in international trade, not that our country doesn't have a major role—we have a major role and play a major role in the international economy. But what I am saying is that the Congress should exercise its proper role in regulating trade, which is what trade agreements do, so that the rules of this international trade reflect American values. That is how America can lead in the world and it is how America should lead in the world.

What American values are we talking about when it comes to trade? What are the American values when it comes to trade? We believe in open markets at home and abroad. But we also think there is a role for Government to play, especially when it comes to the protection of fundamental labor rights for working women and men, when it comes to the protection of children in the labor force, when it comes to environmental standards, when it comes to food and other consumer protections. These are important values in our country. When it comes to fundamental standards dealing with human rights and when it comes to democracy, these are important American values. The question is, how can we pursue these values when we are negotiating trade agreements?

The Clinton administration believes that the commercial issues are primarily in the body of the trade agreements, which are enforceable with trade sanctions, and that the environmental and the labor rights issues and the human rights issues are secondary. A majority of the Senate appears to agree. I do not, and I don't believe most Americans agree with the President and the majority of the Senate on this question. I believe, and I think most Americans believe, that fundamental standard-of-living and quality-of-life issues are exactly what trade policy should be all about. That is why strong and enforceable labor rights, environmental and consumer protections belong directly in the agreements themselves. And if trade agreements do not help to uphold democracy and respect for human rights, then they are deficient. That is my position and, as we enter the 21st century, these should be the pillars of American leadership in the world.

At the same time we are told that America must lead on the issue of trade, we are also told that if we don't negotiate trade agreements, even ones that do not live up to our own principles, then other countries will do so with each other in our absence; we will be left out. That is what we are told. What a contradiction. We must lead but we must do so by weakening our values, by leaving enforcement of labor rights out of agreements we negotiate, by leaving protection of the environment out of agreements we negotiate, by surrendering our principal linkage of human rights concerns to trade policy.

Are we saying that when it comes down to it, that money is basically all that matters? Is that how America should lead the world? Not in my view. Our trade policy should seek to create fair trading arrangements which lift up the standards of people in all nations. It should foster competition based on productivity, quality, and rising living standards—not competition based on exploitation and a race to the bottom.

As one Minnesotan, Larry Weiss, wrote in our State's largest newspaper earlier this week, ''What we want is a global village, not global pillage.'' Protection of basic labor and environmental and food safety standards are just as important and just as valid as any other commercial or economic objective sought by the U.S. negotiators in trade agreements. We need to be encouraging good corporate citizenship, not the flight of capital and the dissemination of good-paying jobs from the United States.

The PRESIDING OFFICER. If the Senator will suspend his remarks for a moment?

Mr. WELLSTONE. Mr. President, since I have to interrupt my remarks, I ask unanimous consent that I be recognized for additional comments immediately after the vote.

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

EXECUTIVE SESSION

NOMINATION OF JAMES S. GWIN, OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OHIO

The PRESIDING OFFICER. Under a previous order, the Senate will now proceed to executive session and the clerk will report the nomination.

The legislative clerk read the nomination of James S. Gwin, of Ohio, to be United States District Judge for the Northern District of Ohio.

The PRESIDING OFFICER. There are now 10 minutes equally divided on the nomination.

Mr. LEAHY. Mr. President, I am delighted that the majority leader has taken up the nomination of Judge James S. Gwin to be a U.S. district court judge for the northern district of Ohio.

Since 1989, Judge Gwin has served as a judge for the Court of Common Pleas in Stark County, OH. Three times during his judgeship, Judge Gwin has been elected administrative judge by his peers, and in 1995, he was elected presiding judge. In addition to his legal service, Judge Gwin has volunteered for several organizations, including the North Central Ohio Juvenile Diabetes Foundation and the Central Stark County Mental Health Center. His nomination enjoys the strong bipartisan support of Senator GLENN and Senator DEWINE.

Despite his exemplary record, one or more of my colleagues on the majority has again demanded a rollcall vote on a judicial nomination. That is, of course, the right of any Senator and I do not object. Indeed, I welcome the vote. I expect this rollcall vote to be much like the last eight in which a unanimous Senate approves a well-qualified judicial nomination. I congratulate Judge Gwin and his family on this achievement and look forward to his service on the U.S. district court.

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

The PRESIDING OFFICER. Without objection, the time will be charged equally. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. 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. GREGG. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of James S. Gwin, of Ohio, to be U.S. district judge for the northern district of Ohio? On this question, the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote No. 293 Ex.]

YEAS—100

Abraham	Burns	Dodd
Akaka	Byrd	Domenici
Allard	Campbell	Dorgan
Ashcroft	Chafee	Durbin
Baucus	Cleland	Enzi
Bennett	Coats	Faircloth
Biden	Cochran	Feingold
Bingaman	Collins	Feinstein
Bond	Conrad	Ford
Boxer	Coverdell	Frist
Breaux	Craig	Glenn
Brownback	D'Amato	Gorton
Bryan	Daschle	Graham
Bumpers	DeWine	Gramm
Grams	Landrieu	Rockefeller
Grassley	Lautenberg	Roth
Gregg	Leahy	Santorum
Hagel	Levin	Sarbanes
Harkin	Lieberman	Sessions
Hatch	Lott	Shelby
Helms	Lugar	Smith (NH)
Hollings	Mack	Smith (OR)
Hutchinson	McCain	Snowe
Hutchison	McConnell	Specter
Inhofe	Mikulski	Stevens
Inouye	Moseley-Braun	Thomas
Jeffords	Moynihan	Thompson
Johnson	Murkowski	Thurmond
Kempthorne	Murray	Torricelli
Kennedy	Nickles	Warner
Kerrey	Reed	Wellstone
Kerry	Reid	Wyden
Kohl	Robb	
Kyl	Roberts	

The nomination was confirmed.

The PRESIDING OFFICER. The President will be notified of the confirmation of the nomination.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

RECIPROCAL TRADE AGREEMENT OF 1997—MOTION TO PROCEED

The Senate continued with the consideration of the motion to proceed.

The PRESIDING OFFICER. Under unanimous consent, the Senator from Minnesota is recognized.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, it is the role of national governments to establish the rules within which companies and countries trade. That is what trade agreements do. They set strict rules. If, for example, a country does not enforce respect for patents, trade sanctions can be invoked.

Mr. President, you can bet that U.S. companies get right in the face of our negotiators to make sure that the rules in these agreements which protect their interests are ironclad and will be strictly enforced. That is what companies do. You can be absolutely sure that U.S. companies would laugh in the face of negotiators if they were told that their concerns were legitimate but could be pursued just as seriously in less enforceable side agreements.

My point, Mr. President, is that it is fine to represent the interests of the companies. We should do so. But we are also elected to represent other people in our country, not just large multinational corporations. We are elected to represent the majority of people.

I say, Mr. President, that we should take a very strong interest not only in representing the majority of people in our country but also in representing a lot of people, ordinary citizens, wage earners, ordinary people in the countries we trade with. Because if they do not make enough money to demand the products that we produce, then we are not going to do well.

Mr. President, I think this fast-track agreement, which extends on to NAFTA and GATT, is deeply skewed toward large corporate interests. That has been our recent experience with trade agreements. And I want to talk a little bit about what has happened with NAFTA.

NAFTA has been in operation for 3 years. And we heard a lot about what NAFTA was going to do for all of us. We have an opportunity now to look at the results with NAFTA. They include loss of jobs, suppression of wages, and the weakening of food, safety, and pollution laws.

Mr. President, if we repeat these mistakes, we are only going to condemn ourselves to replicate some of NAFTA's worst measurable consequences. Let me draw for colleagues from a respected Economic Policy Institute report. This report was issued in September of this year and titled ''NAFTA and the States: Job Destruction is Widespread.'' EI's study concluded that ''an exploding deficit in net exports with Mexico and Canada has eliminated 394,835 U.S. jobs since NAFTA took effect in 1994.'' The report argues that this job loss contributed significantly to a 4-percent decline in real median wages in the United States since 1993. Minnesota, according to this report, lost about 6,500 jobs due to the NAFTA-related trade deficit between 1993 and 1996, contributing to about a 3.8 percent drop in real median wages.

Mr. President, last month the Institute for Policy Studies and United for a Fair Economy published a study which tracked the performance and actions of a number of companies which belong to a major corporate coalition which is advocating passage of fast track. The study found that the 40 companies which are members of the America Leads on Trade coalition, from whom all of our offices have received pro-fast-track materials regularly, cut jobs in 89 U.S. plants under NAFTA. The study also documents that almost 13,000 workers who were laid off by members of this coalition, America Leads on Trade, qualified for NAFTA retraining assistance. And while jobs were being cut by these firms, these firms' profits soared and the salaries of their CEO's were significantly higher than those of executives in other leading firms.

Mr. President, again, looking at the record with NAFTA, according to Public Citizen in a report released in September of this year, U.S. food imports have skyrocketed while U.S. inspections of imported food have declined significantly. The report charges that ''imports of Mexican crops documented by the U.S. Government to be at high risk of pesticide contamination have dramatically increased under NAFTA, while inspection has decreased.''

Mr. President, our experience with NAFTA can't be dismissed. Jobs and wages in the United States have gone down. We have this paradox over the last 20 years of workers' productivity going up but real wages going down. Wages have gone down in Mexico, too,

despite the fact that some workers in Mexico are performing high-skill, high-productivity labor. Our trade balance has dramatically worsened with respect to Mexico. This is all in the last 3 years, post-NAFTA agreement, and the number of U.S. firms that have not only relocated to Mexico but just as importantly have threatened to relocate to Mexico have effectively held wages down. Mr. President, this is a classic tactic used in any effort to organize—companies just simply saying, ''We will go to Mexico.''

Violations of fundamental democratic rights—we care about those rights—as well as basic human and labor rights continue to occur regularly in Mexico. And a NAFTA side agreement has not significantly improved Mexico's environment—the environment degradation goes on at the Maquiladoras—nor have they done anything to raise the wages or living standards of the people. When I visited the Maquiladora I thought the environmental degradation was horrifying. I could not believe little children that I saw working in the plants. When I talked to people, they were quite often terrified to even talk to a U.S. Senator for fear of losing their job.

Mr. President, I simply will say it one more time, we should be engaged in trade agreements, we should be a vital part of an international economy, and we are, but we can do it without injuring people in communities in our country and we can do it without injuring people in communities in other countries if we have the inclusion of enforceable labor rights and environmental provisions right in the agreements themselves. We don't have any like that in this fast-track proposal.

Mr. President, I said at the beginning that I wouldn't support this agreement on the principle of democracy alone. To lock ourselves into trade agreements up to the year 2001—other countries in Latin America, Caribbean countries, Asian countries—without even knowing what those agreements will entail, to not be able to come out here on the floor of the U.S. Senate and introduce amendments to fight for people in your State or South Carolina or Iowa or Washington or any other State, I think denies us as Senators what is really the most cherished and I think most sacred responsibility we have, which is the responsibility to be out here fighting for people.

These trade agreements affect the quality of life of people in Minnesota and all across the country. I believe that in the absence of, as a part of this trade agreement, clear fair labor standards and environmental standards and human rights standards, these trade agreements will continue to do exactly what NAFTA has done—depress the living standards of people in the United States and people in other countries, lead to further violation of human rights in other countries, not do one positive thing about environmental degradation, and ultimately it will be a good deal for large multinational corporations and a very bad deal for the people in Minnesota and the people across the country.

Mr. President, by way of conclusion, I oppose this agreement because of the fast-track procedure alone. I think it is profoundly antidemocratic. I oppose it because of the empirical evidence that has come in about NAFTA. It is quite clear to me this will lead to a depressing of living standards of people in our country and people in other countries. And finally, Mr. President, I oppose this agreement not because I am not an internationalist. I am the son of a Jewish immigrant from Russia. I am an internationalist. We are in an international economy. I want our country to lead the way. But I want the United States of America to lead the way as an economic power in this international economy by advocating our values. Our values respect human dignity, our values respect human rights, our values respect protecting children's lives, our values respect the environment, and our values respect fair labor working conditions for people. That is what is lacking in this agreement. That is why I am in such profound opposition to it.

I yield the floor.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume.

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

Mr. GRASSLEY. Mr. President, I support fair trade because trading creates jobs in America. A billion dollars worth of trade creates 18,000 jobs. Those jobs pay 15 percent above the national average of jobs in America. In my State of Iowa, corporations that export pay 32 percent higher benefits than corporations that don't export. If we are going to continue to grow as a Nation, we are going to have to be able to export more to create good paying jobs in America.

Why do we, from time to time as a Congress, give the President authority to negotiate trade agreements? The power to regulate interstate and foreign commerce is very clearly a power given to the Congress by the Constitution. It is one of the 17 explicit powers mentioned in the Constitution. Congress guards its constitutional authority very carefully.

But we have found that it is very difficult for Congress, made up of 535 men and women, to negotiate with 132 different countries who are part of the GATT process. Congress, for the large part, can't even negotiate agreements among its own Members a lot of times. So you can see the difficulty of Congress as a body reaching an agreement with foreign countries on how to reduce barriers.

So from time to time under very strict guidelines we delegate some of our negotiating authority to the President. But we don't do it in a willy-nilly fashion. We do it with safeguards to make sure that Congress' constitutional power to regulate interstate and foreign commerce is protected. And we do it for a short period of time. We also keep the power to deny the President the ability to negotiate with a specific country, if we don't want the President to do that. We make sure that the President and his people consult with Congress on a very regular basis so that we know what is going on, but more important, so the negotiators know what Congress wants negotiated or doesn't want negotiated to ensure the negotiations reflect the will of Congress. Then, obviously, nothing can become the law of our Nation if it is not passed by the Congress of the United States and signed by the President of the United States.

So we are very cautious in giving the power to negotiate. But we do it for two reasons: First, it is very impractical for Congress to negotiate with foreign countries, and quite frankly it is something that the President does on a regular basis on a lot of foreign policy issues. But more important we have seen opportunities for America's economic expansion happen because we have reduced barriers to trade since World War II. We have a track record of knowing our economy can expand when we export. We have a track record of knowing that jobs are created if we export. And we have a track record of knowing that those jobs that do export pay very good wages.

So we start with the proposition that we want to have an expanding economy, that we want to create jobs and we want to create good jobs because that has been the track record of expanding foreign trade over the last 50 years. We move forward with confidence, giving this President, as we have given Republican and Democrat Presidents in the past, the authority to negotiate trade agreements. And we are confident that the workers and consumers of America will benefit as a result of giving the President this negotiating authority.

We have seen barriers to trade around the world reduced from an average of 40 percent 50 years ago to an average of 5 percent today. Those are tariff figures. We have seen still, countries have higher barriers to trade—both tariff and nontariff trade barriers—than what we have in the United States. They are up here and we are down here. So it is a given. It is common sense, the extent to which the President can get these other countries to reduce their tariff and nontariff barriers to trade to a level equal to or closer to ours, it levels the playing field for our people, both large and small business, and that will create opportunities to export and enhance the economic well-being of our country.

So I rise strongly in support of S. 1269, the Reciprocal Trade Agreement Act of 1997, and I urge my colleagues to vote aye on further motions to proceed and to take up the bill. Mr. President,

this debate is long overdue. The President has lacked the authority to negotiate trade agreements since the completion of the Uruguay round agreements in 1994.

Since then, the United States has, as far as I am concerned, relinquished its leadership role that we have had over the last 50 or 60 years in international trade issues. And the rest of the world will not wait for a long period of time for the United States to act but will move on without us.

This bill will restore the United States to its rightful position as the world's leader in international trade. If nothing else, it's going to reassert the moral authority of the United States to be a leader in fair trade negotiations around the world, as we have been for the last 60 years.

Since the original reciprocal trade agreements of 1934, the United States has taken this leadership role in reducing barriers to trade. We learned from the Smoot-Hawley legislation, we learned from the Great Depression of the 1930's, and we learned from the results of World War II that protectionism is not only bad economically, it's bad from the standpoint of promoting peace throughout the world. As I said, in the period of time since the United States started this process of reducing barriers to trade—not only our own barriers, but other barriers in other countries—we have seen global tariffs drop from an average of over 40 percent to about 4 or 5 percent today. This dramatic opening of world markets has led to an explosion of economic growth since World War II, and the United States has been the primary beneficiary of this growth.

American workers are the most productive, highest paid workers in the world. American companies produce the highest quality products, and American consumers have more choices of goods and pay less of their income on necessities, such as food, than consumers anywhere else in the world. These are the benefits of fair trade agreements.

Americans have enjoyed these benefits only because, through U.S. leadership, we have convinced other countries that freeing up trade and leveling the playing field for everybody is critical to economic growth, not only in our country, but around the world. And we have led by example. We have lowered our own tariffs to show our willingness to trade with the rest of the world, and to show that trade is beneficial to workers as well as consumers and not something to be feared. This bill reestablishes the United States in this leadership role.

This bill will allow the United States to continue on the path of economic growth and prosperity, and will show the way for other countries as well. Free and fair trade creates jobs—stable, high-paying jobs. Exports support more than 11 million jobs in our country. These jobs, as I have said before, pay 15 percent higher wages than other jobs. In my own State, exporting companies have 32 percent higher benefits than nonexporting corporations.

Trade is a major component of the economic growth of even the most recent decade. It is estimated that exports, as a share of gross domestic product, grew by 39 percent and accounted for nearly 50 percent of the total U.S. economic growth between the years 1986 and 1992. This year, total U.S. trade will be 30 percent of our total GDP. These statistics show that trade is important to this country. It's important to the well-being of our economy.

This bill will allow the United States to maintain its competitive advantage in the global economy. Trade negotiating authority is necessary to remove barriers to our exports and, hopefully, some day remove all remaining barriers to our exports. These barriers are taking money out of the pockets of American farmers and workers. But without this bill, the rest of the world will continue to raise barriers to our products. We will remain on the sidelines—where we have basically been since 1994.

Since trade negotiating authority expired back then, over 20 major trade agreements have been consummated. The United States was not a party to any of them. Do the opponents of this bill believe that other countries are looking out for the interests of the United States when negotiating these agreements? We had an opportunity to be at the table. Of course, nobody is going to look out for the interests of the United States, except our U.S. negotiators. We in the Congress are going to see that they look out for those interests. We can deny the President's authority to negotiate with a specific country. We will consult with the President of the United States on a regular basis on how those negotiations are going, and advise the President on what should be negotiated. Finally, we have an opportunity to enact the final product of any negotiations.

Now, I said that we have had 20 agreements negotiated, where the United States was not a party. But I can show in some of those negotiations where U.S. economic interests—and maybe humanitarian and nonpolitical interests, or political interests have also been hurt.

Chile is a good example of what we have sacrificed by not having trade negotiating authority. In 1992, President Clinton promised Chile that it would be part of the North American Free Trade Agreement. Five years later, Chile has a free trade agreement with Canada and with Mexico—the other two partners of the North American Free Trade Agreement—but not with the United States. Chile is an associate member of the MERCOSUR countries, which is a trading block composed of Brazil, Argentina, Paraguay, and Uruguay. Yet, Chile is still not a member of NAFTA. You might say, so what; you don't like NAFTA and you are applauding. But in the process, American workers and farmers are beginning to feel the consequences of this inaction.

An American company recently lost a $200 million telecommunication contract to a Canadian company that enjoys preferential treatment under its trade agreement with Chile.

American farmers currently supply 90 percent of Chile's free grain imports. Those are exports from states like Iowa, Minnesota, Nebraska, and Illinois. But our biggest competitors for this market, Argentina and Brazil, enjoy an 11-percent tariff advantage over American farmers. And whether or not we are going to continually supply feed grains to Chile—it is only a matter of time before we lose this important agricultural market. What will the opponents of this legislation say to the farmers of their State and the workers of their State when these workers and these farmers lose their jobs and lose income because this market is lost because we have an 11-percent disadvantage? This bill allows us to compete for these markets once again.

The economic benefits of trade negotiating authority are very clear. But let's remember that trade is also an important foreign policy initiative. Free and fair trade is humanitarian, as well as it is economic. Free and fair trade promotes liberty and freedom around the world. This bill is going to help increase the standard of living of our trading partners and, with it, enhance the stability of their political and economic systems. And when you enhance the political and economic systems, you open the door, through trade, for the United States to export its democratic principles of liberty and freedom. We are seeing enhancement of these institutions in countries where freedom and liberty was foreign to a lot of people. Economic intercourse opens the way, opens the door; it is a window of opportunity for other things that we in America believe in, which you can't put a dollar and cents value on. We know that when Americans travel overseas, when we enhance our business opportunities with other countries, this sort of rubbing shoulders with people of other countries has benefits that go way beyond just the dollars and cents of free and fair trade.

The people we trade with experience American values through the goods they purchase and the relationships they form when trading with us. In time, it is likely that they will insist that their own government uphold these values as well. We have seen it happen in Latin America, Eastern Europe, and someday—I am optimistic—we will see it happen in China.

Many scholars believe that a country must attain a certain standard of living and economic stability before democracy can even begin. Trade, and not foreign aid, is the mutually preferred method of achieving economic growth and economic stability, which is a forerunner of political stability.

Since 1986, I have hosted, on six different occasions during the month of August in my State, week-long tours of Iowa by foreign embassy ambassadors. In other words, the embassies here in Washington, DC, send their ambassadors and/or trade representatives. I hear from these people coming to my State of Iowa, again and again, from these international guests, that a mutually beneficial and healthy trade relationship is much preferred over foreign aid from the U.S. Government. While foreign aid can be fleeting, trade builds and expands economies. This, in turn, fuels the democratization process. So this bill helps our trading partners help themselves.

Mr. President, the opponents of this bill want to turn back the clock. They prefer a time when this country could afford to be isolationist, when we could consume all in America that we produce, and we didn't have to worry about exports, and when economic growth could be sustained then by domestic production alone.

Reminiscing about those past days may make for good political rhetoric. But that sort of rhetoric is dangerous because it simply ignores the economic facts of today's world. They ignore the benefits beyond economics that come from trade. Because, like it or not, we are in a global economy. Our jobs and standards of living have become to some degree dependent on trade with other countries. We can't afford to build walls around this country, and we can't afford to turn inward. If the United States were to do that, other countries would do it as well. And that could be dangerous. I just saw a quote recently, that I believe to be accurate. ''If merchandise is not going to cross borders, soldiers will.'' It is a preventive of war. It is a promotion of peace when we trade.

We must lead. We still have all the advantages: A highly skilled, educated work force; we have technology, capital, and, most important, a sense of entrepreneurship that not only benefits America, but when this is promoted around the world, it is going to benefit all of the economies of the world. We also have the most stable economic and political system the world has ever known. The United States has the most to gain by leading and the most to lose by sitting on the sidelines.

This bill is the first step back into reasserting our moral authority to lead in leveling the playing field in international trade, an authority that we have exercised since the 1930's.

Mr. President, I want to remind my colleagues that the question is not whether future trade negotiations will occur. They are happening right now under our very noses between countries all over the world. I have cited 20 specific examples since 1992. Rather, the question is whether the United States will be at the negotiating table protecting the interests of our citizens for the good of this country and for the good of the world.

This legislation must become law.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I support free trade between the United States and other countries.

Mr. President, I yield such time as I might use from the Senator from South Carolina.

The PRESIDING OFFICER. The Senator is speaking on the time of the Senator from South Carolina.

The Senator is recognized.

Mr. KENNEDY. Mr. President, I support free trade between the United States and other countries. I have supported fast-track authority in the past, and I wish I could still do so.

But this fast-track bill is grossly one-sided and unfair. It goes the extra mile to protect intellectual property rights and other rights of business. Yet it puts major roadblocks in front of any effort to protect the rights of workers.

The bill lists 15 so-called principal negotiating objectives. Negotiators are directed to pursue these matters vigorously in trade talks with other nations. One of the objectives urges negotiators to seek strict enforcement of laws protecting copyrights, patents, and intellectual property. The bill even directs negotiators to seek criminal penalties for violations of intellectual property rights.

But the bill is silent about any corresponding effort to promote workers' rights. Negotiators are forbidden to encourage other countries to improve worker protections. Any provisions designed to strengthen labor protections or improve another country's enforcement of its labor protections cannot be given fast-track treatment.

No previous fast-track bill took such a one-sided and discriminatory approach. For example, the 1988 fast-track law included a specific objective to ''promote worker rights,'' and this was an important part of the legislation.

The present bill is unprecedented. It's fast-track for business and no track for labor, and that isn't fair.

We should not make it impossible to use other countries' desire for access to U.S. markets to urge improvements in working conditions. Leaders in other countries often say their door is open to such initiatives. But this bill actually prevents our negotiators from taking advantage of such opportunities. It prevents the United States from using the incentive of access to our markets to persuade a country to improve working conditions for its employees, even in cases where the issue is prison labor or child labor. There is nothing fair about that.

The bill also prohibits fast-track consideration of any provision that would modify U.S. labor or environmental standards. Any agreement that seeks to create internationally-recognized worker rights—such as a ban on child labor or prison labor—could not be considered under fast-track procedures, because it would restrict the power of the United States to refuse unilaterally to modify our own laws in these areas. There is nothing fair about that.

The bill denies our negotiators the power to push for improvements in another country's labor protections. And it denies our negotiators the power to push for improvements on a multi-national basis as well. Under this legislation, there could be no effort to improve worker protections in any forum. There is nothing fair about that.

Congress should not handcuff our ability to negotiate improvements in agreements setting basic labor standards that apply to specific nations or to all nations. Instead, we should use the trend toward globalization of markets to raise the level of employee protections around the world.

We tried to accomplish this goal in the North American Free Trade Agreement in 1993. The labor and environmental side agreements that accompanied NAFTA were designed to strengthen labor standards and establish a forum for resolving disputes.

Many have criticized the effectiveness of these side agreements, and with good reason. In 1994, Mexican workers who tried to organize a union at a Sony Corp. plant in Nuevo Laredo were fired, and some were beaten. This brutality violated Mexican law, and the NAFTA enforcement authorities found that the Mexican Government had failed to comply with its obligations under the labor side agreement. But none of the employees was rehired, and no fines were assessed against either the Mexican Government or the company. The side agreements were not enforced.

Weak as they are, side agreements like these are barred from consideration under the present bill. Such side agreements could not be given fast-track treatment. They would be subject to full debate and amendment in both houses of Congress.

But under this defective fast-track bill, an agreement making it a crime to infringe a copyright would be given fast-track treatment, and rushed through Congress with limited debate and without amendment.

This double standard is unacceptable. Trade affects goods and business profits, but it affects workers' lives and health as well. We can't deny the linkage. Yet this bill treats property rights far better than it does labor and environmental protections. Surely the life or health of a working man or woman deserves at least equal priority.

It's also true that NAFTA has failed to live up to our hopes. The Labor Department has certified that 127,000 American workers lost their jobs as a direct result of trade with Mexico and Canada under NAFTA. Some experts say the number may be as much as four times higher.

The administration has announced that it will seek hundreds of millions

of dollars more for trade adjustment assistance to help workers dislocated by foreign trade. When American firms move their American plants to foreign countries in search of higher profits through cheaper labor, the American workers left behind pay a heavy price.

Trade adjustment assistance can help, but to many workers, it is little more than funeral expenses. It's obviously not enough to offset the anti-worker, antilabor bias of this discriminatory fast-track bill.

The five measures the administration announced earlier this week, through the World Trade Organization and the World Bank, are another small step in the right direction on labor issues. But again, four studies and a promise don't fix the problems with this bill.

I urge the Senate to reject this unfair approach. This bill puts the rights of business on a pedestal, and leaves the rights of workers in the gutter. That kind of discrimination is unacceptable. No worker should be treated with less dignity than a compact disk. I oppose this legislation, and I urge my colleagues to defeat it.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I rise in support of the fast-track legislation, and I yield myself so much time as I might use.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GRAMM. Mr. President, I think it is important that people understand that the debate about fast track is a debate about trade. If we reject fast track in the Congress, we are sending a signal to the whole world that the United States of America, which has been the strongest proponent of trade in the post-World War II period, is backing away from that commitment. If we reject fast track, we are saying to the world that the position we have taken in the post-World War II period is a position that we are now vacating. We are saying to emerging markets all over the world that we are not going to be the dominant force in trade on this planet.

That message, in my opinion, would be a devastating message for world trade. It would be a devastating message in terms of America's leadership. And I am prayerfully hopeful that in the end reason will prevail and that we will not send that message.

Mr. President, I have had an opportunity, as a Member of the Senate for 13 years and as a Member of the House for 6 years before that, to speak on many subjects. My colleagues have heard me speak on the budget on many occasions. I think my colleagues understand that I have great passion about that subject. But as compared with world trade, the budget is a secondary issue. The issue that we debate today is the most important issue that we will debate during this Congress.

Americans by and large do not understand the trade issue. One of the great frustrations of my political career has been that of all the issues that we deal with, the hardest issue to get people to understand is the trade issue. This is not a new problem. Disraeli, the British Prime Minister in the 19th century, once said, ''Not one person in 10,000 understands the currency question, and yet we meet him every day.'' And by ''the currency question,'' he meant the value of the pound relative to foreign currency in international trade. What Disraeli said would certainly be reflected in the debate here today.

I would like in my speech to try to do several things.

No. 1, I want to try to explain why this issue is so critically important.

No. 2, I want to respond to those who say they are opposed to expanding trade, that they are opposed to fast track because they are concerned about low-wage workers, because they are concerned about child labor, because they are concerned about poverty, because they are concerned about the environment.

Finally, I want to do something that we don't do enough of here, and that is we don't attack this trade issue head on.

I know I have many colleagues who come to the floor and talk for endless hours about how wonderful it would be to build a wall around America and go hide under a rock somewhere, how if we could simply imitate the economic isolation of North Korea, that all would be wonderful and well in America. And generally those of us who know better don't take the time to come over and respond. I want to be sure I take the time to respond today.

First of all, trade is critically important. The most important contribution of America in the post-World War II period has been the explosion of world trade. We didn't rebuild Europe with the Marshall plan. We didn't rebuild Japan with foreign aid. We didn't stop communism in Greece and Turkey with economic assistance. I don't in any way mean to criticize the Marshall plan or the Truman doctrine. They were both critically important. They sent a very clear signal to the world that we intended to learn from the lessons of World War II and that we were going to resist the expansion of communism. But what stopped communism in Europe, what preserved freedom in Greece and Turkey, what rebuilt Japan, what created an economic miracle in Taiwan and Korea, what changed the balance of power, what won the cold war, what tore down the Berlin Wall, what liberated Eastern Europe, and what set more people free than any victory in any war in the history of mankind was the growth of world trade.

By opening up American markets and expanding trade first with Europe and Japan, then with a special focus on Turkey and Greece, then with a focus on Korea and Taiwan, we literally created a wealth machine, and that wealth machine brought prosperity to America such as we had never imagined possible. It created new, massive economic superpowers in places like South Korea, a poor agricultural country.

South Korea is a perfect example. In 1953, they had a per capita income of $50 a year. They were devastated by the Korean conflict. But through world trade their per capita income grew to over $6,000.

The same thing happened in Taiwan. And the attraction of that economic growth in Taiwan, in Hong Kong and Singapore, the sheer ability of the market system in world trade to feed the hungry, to create opportunity and freedom and happiness, the shift in the balance of power that that economic explosion created literally tore down the Berlin wall and liberated Eastern Europe. And while Chiang Kai-shek had long since been in the grave, the economic miracle on the little island that he fled to and the economic miracle in Hong Kong built by world trade was so powerful that it literally forced mainland China to begin to change its system and converted an enemy into a trading partner. It holds out the great prospect of creating cooperation with the one country in the world that can be our rival in the 21st century, and that is China.

Now, we know the lessons of the 20th century. We know the wars that involved conflicts over resources; where Germany invaded Russia to get access to resources; where the Japanese invaded Manchuria to try to get access to mineral resources that in many cases were denied in trade agreements around the world. We know the totalitarianism of the 20th century.

When I am talking about trade, I am not just talking about goods and services. I am talking about a profoundly moral issue, a moral issue that really boils down to the question of whether we are going to repeat, beginning with a vote on fast track, the policies that created the terrible crises that we faced in the 20th century.

Did we learn from history or are we going to repeat it? I hope we learned. This is a profoundly moral issue because it is about freedom. It is about doing something about grinding poverty that for the great mass of mankind literally beats down the humanity of working men and women and their children all over the world.

Mr. President, I respect my colleagues and I know they mean well, but it is hard for me to sit here and listen to people say that they want to reduce trade because they are concerned about poverty. It is very difficult for me as an old economics professor to sit here and listen to people say, ''Well, I would like to trade with China or Mexico or Chile or any other place in the world but I am concerned that workers are poor. I am concerned about child labor. And so as a result I do not want to trade.''

Why does child labor exist? In the War of 1812 we had 8-year-olds in the

Navy. We had child labor in America up until the Civil War. Why did we have it? Why does it exist all over the world in poor countries? It exists because it is a product of poverty. Wages are low because of poverty. Working conditions are poor because of poverty. If you really care about workers in another country, you want to trade with that country because only by trade, only by expanding prosperity both here and there can we do something about child labor, can we do something about poverty.

So if you really care about workers' rights in other countries, you do not solve their problem, you do not deal with child labor by building a wall between us and that country. You eradicate child labor by promoting trade, which promotes prosperity, which allows parents to put their children in schools and keep them there until they are educated.

So I reject the argument that is made by people who oppose trade and oppose fast track, because that is what this fast track debate is about. It is about trade. It is about whether we are going to continue to trade or whether we are going to start building walls. And I totally reject the idea that those who oppose this bill are protecting low-income workers and children.

I am protecting low-income workers and children. The policy that I promote of trade, expanded economic opportunity, expanded freedom and expanded prosperity, that is the only system in history that has ever done anything about poverty. Trade, free enterprise, individual freedom, those are the great tools for destroying poverty. So if you really want to stop child labor in the world, if you really care about workers' rights, then join the President and join me in tearing down barriers and expanding trade.

Likewise, I reject the notion that those who want to promote a good environment worldwide can do it by preventing trade. I ask my colleagues, and I ask those who are listening, to understand that the population of the world is growing, that people are going to be hungry, and unless we can create an economic system worldwide that is going to feed them, they are going to continue to destroy the environment in their countries.

Environmentalism, the concern about your surroundings, is a product of affluence. You can only be concerned about the environment when you have enough to eat. And if you really care about the environment, if you really are concerned about global warming, if you are concerned about the expansion of pollution, you ought to be for trade because trade creates prosperity, and prosperity makes it possible for people to improve the technology and in the process to improve the environment.

Our colleague from Massachusetts talked about Mexico. Mexico is a relatively poor country, but as a Senator from a State that shares 1,200 miles of border with Mexico, I can tell you that the expansion of trade with Mexico has meant bringing 1990's technology into Mexico, especially along the border, to replace 1950's technology, and the net result is that our new investments and the expansion of growth and opportunity in Mexico give them the first real opportunity that they have ever had to improve their environment.

So if you really care about workers and children, if you really care about the environment, use the one tool, the one tool that we have that can help people in other countries share in the great bounty we share, and that tool is trade.

Now, I have never heard so much poor mouthing in my life as the poor mouthing we have heard about trade. You would think Americans are a bunch of incompetents, that our workers are all these guys standing on assembly lines with big pot bellies, who are, in the words of that old country and western song, ''having daydreams about night things in the middle of the afternoon.''

In listening to our colleagues, you would think that we are just complete incompetents and that we need to build a wall around America to protect us from having to compete with other people.

That is totally out of sync with reality. America dominates the world market. Study after study of competitiveness concludes that America is the lowest-cost producer in the world of manufactured products, not because we have low wages but because we have skilled workers and because we have the best tools in the world. We dominate the world marketplace. We are the world's largest exporter, the world's largest importer. Our living standards are 20 percent higher than Japanese living standards. Germany has a living standard about 74 percent of our level. The American economy has grown in the last 10 years by 17.8 million new permanent, productive, taxpaying jobs. And since employment in Government has declined, this represents a net addition to the number of people who are involved in the marketplace creating goods and services. That is 5.7 million more jobs than Germany and Japan combined have created in the last 10 years.

And yet, to listen to our colleagues, our jobs are running offshore; our jobs are going to Japan; our jobs are going to Germany; our jobs are going to China. We have the highest levels of employment we have had in the history of the country. We have created 17.8 million new jobs in the last 10 years. Our economy is booming. And yet to listen to our colleagues pour ashes over their heads and talk about helpless, incompetent Americans, you would think we were incapable of producing or selling anything.

The reality is that in 10 years our exports are up by 130 percent. The exports of Europe are up by 55 percent. The exports of Japan are up by 24 percent. But if there is one thing that I could rejoice in, it is we are not hearing people say today, as they did in this debate 2 years ago, that we ought to copy Japan. We used to have Members of the Senate who would get up and talk about how wonderful it would be if our economy could be like Japan's, if we put up barriers to cheat our consumers and drive up the price of goods, if we had Government and business conspire to have these massive plans to dominate the world market. If we could just do what Japan does, they said, things would be wonderful. I do rejoice that nobody says that anymore. They don't say it anymore because the Japanese economy is on its back.

Government-dominated trade fails. The marketplace succeeds. You hear all of these tales of woe about how manufacturing jobs every day are leaving the country. The truth is that our exports in manufacturing are up 180 percent in the last 10 years. That is nine times the rate of growth of manufacturing exports in Japan. That is six times the rate of growth in exports in Germany.

One of the problems the President has on fast track today is that for the last 6 years he has pussyfooted with all these protectionists. He has engaged in little acts of protectionism and now all of a sudden he comes back to the same proponents of protectionism that he has been coddling with political favors for 6 years and says, ''Oh, by the way, we have a profound national interest now and you have to stand up for trade.'' No wonder he is having trouble. The President has been on three sides of a two-sided issue for 6 years. But he is on the right side of this issue, and I am very proud to be with him.

Let me make another point about trade. Let me give two examples of how we benefit from trade even when we are not buying goods from abroad, and then I want to talk about how we benefit from trade by buying foreign goods.

Some of you will remember that in the 1980's, there was this massive push to get Ronald Reagan to protect the American automobile industry. In fact, I bought a Chevrolet truck in 1983. It was a clunker. That truck never was any good from the first day I bought it until the Lord provided somebody from an ad in the newspaper who came and bought that truck. Everything you can imagine happened to it. And, if you will remember, in the early 1980's, all these protectionists were coming, banging on our doors, saying, ''We are going to be driven out of the automobile industry. General Motors is going to be broke. Ford is in crisis. Chrysler is on the verge of collapse and has to have a Government bailout.'' Thank God Ronald Reagan said, in essence, ''compete or die.''

In 1983 you didn't want to buy a car or truck produced on Monday because on Monday autoworkers were still thinking about the weekend. And you didn't want to buy a car or truck produced on Friday because on Friday they were thinking about the coming

weekend. And you probably didn't want to buy one produced in the middle of the week because they weren't doing much thinking. I am not just talking about people on the assembly line, I am talking about all those white collar managers in all those fancy offices in Detroit. They were getting their fannies kicked because they were doing a rotten job and they were ripping off the American consumer. So, rather than make tough decisions and go to work, they came to Washington and they whined and they begged and they pleaded and they said, ''Protect us, protect our jobs.'' And they wrapped themselves in the American flag. It was our duty, they said. We couldn't let all our automobile jobs go to Japan and Korea and all those places where people worked hard. So we were supposed to protect them.

Ronald Reagan said no. And what happened? Well, in 1991, I bought a new truck. This time I bought a Ford, but that didn't make the difference. In fact, I just recently bought a Chevrolet with the same result. That 1991 truck was the best vehicle I have ever bought in my life. Not only did I drive it; now my son is driving it. It has never broken down. It has never had a major mechanical problem. It is an absolute marvel.

Where did it come from? I owe the quality of that truck to the Japanese and to the Koreans, and I would like to thank them today. I owe it to them because they forced companies and the United Auto Workers to stop this crazy system where workers and managers were always in conflict. So when I bought that Ford Explorer in 1991, the United Auto Workers were proud to have their name on it along with Ford Motor Co. Quality was job 1.

I never will forget when General Motors said they had to determine whether they were going to be in the automobile business in the year 2000. They are still the automobile business, big time in the business. They are producing some of the best cars and the best trucks in the world.

If we had engaged in protectionism in 1982 and 1983, we would be getting the same lousy cars, the same lousy trucks, and we would be paying more. In fact, when Bill Clinton became President and, as a sop to the automobile industry and the labor unions, put a tariff of several thousand dollars on sport utility vehicles, what do you think happened? The price of sport utility vehicles went up by thousands of dollars. It was just theft, reaching right in the pockets of working families and pulling out thousands of dollars. That is an example of what I am talking about.

I think one of the mistakes we made—I am not going to go much deeper into this—but one of the mistakes we made is that we talk so much about jobs we forget why we work. There are a few people in America who have remarkable jobs. I see two of them here today who are at least listening to me with one ear, two Senators. If we could afford to do this job for nothing, we would probably do it for nothing. But most Americans work because they want to earn money to buy things. The end result of economic activity is consumption.

It never ceases to amaze me how perverted things get. I will give an example. We now have a suit filed with the International Trade Commission by salmon producers. I think we have about 500 people in America, mostly in the State of Maine, who are involved in growing salmon. They have filed an unfair trade practice suit against Chile. Chile produces massive amounts of salmon. They have a comparative advantage because they raise salmon all year long. They start out with eggs, they produce these little fingerlings, they feed them—the whole process is absolutely an economic marvel. When the salmon are 14 pounds, they harvest them, they clean them, the fillets are shipped fresh to America and Europe. And what has happened? Salmon prices have gone down dramatically.

Salmon is a superior product. When I was growing up I never ate any salmon. Rich folks ate salmon. Salmon has the right kind of cholesterol, as our colleague from Alaska would say. Because of the ability of Chile to produce salmon, literally tens of millions of Americans have changed their diets, and now eating salmon is becoming almost as common as eating steak.

So what now are we doing? Right now we have the International Trade Commission which, thanks to a President who today is for trade, is full of protectionists, and they are in the process of determining whether we should literally take quality food out of the mouths of tens of millions of Americans. Does that make any sense whatsoever, to take food out of the mouths of tens of millions of people to protect the jobs of 500 people. God never granted them or anyone else the eternal right to be in the salmon business.

An argument that carries no weight here but carries weight with me—and I always love to make it because I feel good when I make it—is, who gives anybody that right? Who has the right to tell me, a free man in a free country, that some 500 workers in the State of Maine can rob me by making me buy their product instead of buying a cheaper, better product produced somewhere else? Who gives them the right to do that in a free country? Am I only free to go to the street corner and shout, ''Bill Clinton is a dope,'' or ''PHIL GRAMM is crazy''? Or do I have a right to do something that is real, like go and use my money to feed my family in the way I choose? The argument for protectionism is really an argument for theft.

I want to give another example. Every day we hear about textiles. Every day we hear this clamor of protectionist arguments about how we have to protect textiles. And do you remember this big deal about how we were successful in reducing tariffs to China and so now we are not going to be importing as many textiles from China. It was just hailed as a great victory.

Well, go to the places where real, honest-to-God Americans shop and look at the quality goods and look at the prices. By protecting the textile industry, we are literally taking the shirts off the backs of children of working families in this country, and nobody seems to care. It is astounding to me in the U.S. Senate that we all care about producers, but nobody cares about consumers. We can get a couple of rich executives, business owners, textile manufacturers to come to Washington and holler, and pretty soon we are falling all over ourselves to protect them from competition. Nobody seems to care that American children and their parents pay twice what they should for textiles today.

The paradox is that it is a losing battle. Britain lost the textile industry to New England, because the textile business is noncompetitive in a high-wage country. The exception, of course, is the part that is done by machines. We dominate the world in machine-made textiles, in fact, we are making a lot of money in the textile business today, but where you have to do hand work and where you have a lot of people involved, you tend to be noncompetitive.

This is not a new phenomenon. England lost the textile mills to New England, and then New England lost them to the South. In fact, the Congress first adopted the minimum wage to try to prevent textile mills from moving from New Hampshire to Georgia. But it didn't do any good; they moved anyway. And New Hampshire is much better off for it because they became a high-tech State.

Japan has lost the textile industry, Korea is losing the textile industry, and China will lose the textile industry, because the textile industry, at least in hand work, goes where there are low wages. But to protect a handful of jobs, we are willing to literally steal from millions of working families. Every day these arguments are made and people cloak themselves in the American flag when they are arguing for greedy, petty special interests to cheat the consumer. And I thought somebody ought to say something about it.

Now, I want to sum up with three quotes. I thought about a way to end this speech, and I want to end it with a quote from Ronald Reagan, one of the last things he ever said on trade during his Presidency. But I want to quote first from a Democrat, a Member of Congress from New York, who was a Member of Congress at the turn of the century. Nobody has ever heard of him, but I discovered him in reading a biography on Winston Churchill. I discovered him because Bourke Cockran, from New York, was a friend of Churchill's mama, and he profoundly influenced Churchill on trade. In fact,

Churchill changed parties several times, as we all know, but he never, ever changed his position on trade. Churchill from the beginning of his career to the end of his career was a free trader. He was a free trader principally because of Bourke Cockran, who was one of the great orators in the history of this country. I just want to read a short statement from him because it says more than I can. I am not a very good reader, and so I apologize. We forget what trade is about. In the midst of all this special interest and ignorance that dominates this debate, we forget what it is about.

Cockran is an American. He is in London. It is July 15, 1903. America is a protectionist country. England is the only country in the world that has relatively open markets. Cockran is speaking to the Liberal Club in England, and ''liberal'' at the turn of the century means what ''conservative'' means today—freedom. With this relatively short paragraph he sums up what trade is about. I want to read it: ''Your free trade system makes the whole industrial life of the world one vast scheme of cooperation for your benefit.''

He is talking to the British people.

At this moment, in every quarter of the globe, forces are at work to supply your necessities and improve your condition. As I speak, men are tending flocks on Australian fields and shearing wool which will clothe you during the coming winter. On western lands, men are reaping grain to supply your daily bread. In mines deep underground, men are swinging pickaxes and shovels to wrest from the bosom of the Earth the ores essential to the efficiency of your industry. Under tropical skies, hands are gathering, from bending boughs, luscious fruits which in a few days will be offered for your consumption in the streets of London.

Over shining rails, locomotives are drawing trains, on heaving surges, sailors are piloting barks, through arid deserts Arabs are guiding caravans, all charged with the fruits of industry to be placed here freely at your feet. You alone, among all the peoples of the Earth, encourage this gracious tribute and enjoy its full benefit, for here alone it is received freely, without imposition, restriction or tax, while everywhere else, barriers are raised against it by stupidity and folly.

That speech could be given today about the United States of America. Ultimately, England went protectionist, and when it did, it declined as a world power. Ultimately, America promoted trade, and when we did, we rose to world prominence.

What a different world we live in than the world we have evolved from. We now have leaders who talk about trade as a problem, who talk about imports as if something is wrong with buying something from someone else.

When Pericles was delivering his funeral oration, honoring the dead of Athens, one of the great speeches in history, he talked of trade as a sign of greatness. Once a year, they had a ceremony where they would bring the bones of Athenian warriors who had died defending Athens during that year, and they would all be buried together.

When Pericles came to the point in the speech where he wanted to explain how you could know that Athens was a great city, here is what he said, and interestingly enough, he measured the greatness of Athens by its imports. What a far cry it is from today; what he understood, we have forgotten. And he understood it 2,500 years ago:

''The magnitude of our city draws the produce of the world into our harbor, so that to the Athenian the fruits of other countries are as familiar a luxury as those of his own.''

Only a great country has the capacity through trade to get the whole world to work cooperatively to promote its prosperity.

Trade is like love. That is the miracle of this thing. It is not as if we are getting rich by trade at the expense of other countries, because trade makes us rich and it makes them rich. It is like love: The more of it you give away, the more of it you have. That is why it is magic. That is why it is so hard to understand.

I want to end with a quote from Ronald Reagan. President Reagan has never gotten the credit he deserves for standing up for trade. It was one of his great achievements in an era that was dominated by protectionism. But here is what he said, and I urge my colleagues, especially on my side of the aisle, people who love Ronald Reagan, to look at these words before we have our final vote on this issue. Ronald Reagan said this about trade, and it is so accurate in terms of fears versus hopes:

''Where others fear trade and economic growth, we see opportunities for creating new wealth and undreamed-of opportunities for millions in our own land and beyond. Where others seek to throw up barriers, we seek to bring them down; where others take counsel of their fears, we follow our hopes.''

I am for free trade. I am for the fast-track bill. These two issues cannot be separated. We have colleagues who say, ''Oh, I'm for trade, but I'm against fast track.'' We all know that without fast track, we are not going to have an expansion in trade. We all know that without fast track, Europe will tie itself to South America in their new free trade area, and we will end up with less and less trade and less and less influence and with less and less prosperity.

So the issue here is trade, and the issue is freedom. Do you care about working people in America and around the world? If you do, you ought to be for trade, because trade will raise our living standards, and it will raise the living standards of others. If you are really concerned about child labor, about low wages, about grinding poverty around the world, the way you help do something about it is through trade. You don't do something about it by building a wall around America. If you really care about the environment, you are not going to improve the world environment by promoting poverty. We are going to promote it by expanding trade and by expanding prosperity.

This is a very important vote we are going to have. We have not voted on anything in this Congress that is more important than giving the President fast track. If we reject fast track, we are saying that special interests dominate the trade policies of America, that the world's great trading nation, the most successful nation at trade in the history of the world, the nation that has benefited more from trade than any other country in the history of the planet, we are going to be saying that for the first time in the postwar period we are giving up our position of world leadership in trade, that we fear to trade.

I don't say that, and I don't believe it. I hope that we are going to give the President fast-track authority and continue a process that will continue our prosperity and economic growth. I yield the floor.

Mr. DORGAN addressed the Chair.

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

Mr. DORGAN. Mr. President, I yield as much time as he may consume to the Senator from North Dakota, Senator CONRAD. Because no one else is on the floor and because of the time balance, I ask unanimous consent that Senator FEINSTEIN from California be allowed to follow the presentation by Senator CONRAD.

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

Mr. DORGAN. Mr. President, let me say, the Senator from Texas, Senator GRAMM, as always, makes an interesting and a challenging presentation. He is a very capable Member of the Senate.

I will say, I listened with great interest. One of the areas I think where we want to discuss some disagreement is whether, as he proposes, the American people do not really understand the issue of trade. I think the American people do, in fact, understand the issue of trade, and that is precisely what is requiring and causing this kind of discussion in the U.S. Senate.

Having said that—I will expound on that at some later time—let me yield now to my colleague, Senator CONRAD.

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

Mr. CONRAD. I thank my colleague from North Dakota, Senator DORGAN. I also listened with great interest to the remarks of our colleague from Texas, Senator GRAMM. I, too, was struck when he said the American people don't understand trade. I must say, I disagree. I think the American people understand it very well. I think they understand that freer trade is in our interest, but I also think they understand that sometimes we don't do a very good job of negotiating these trade agreements with other countries, and, as a result, we quite often find ourselves at a disadvantage. That is not in America's interest. We ought to do a better job.

When it is a question of this fast-track proposal, I must say, I favor fast

track, but I don't favor this fast-track proposal because it is flawed. It should be fixed, but there has been no serious attempt to fix it.

Mr. President, without question, we are the most competitive nation in the world. Others have higher barriers erected against our goods than we have erected against theirs, and that is why fundamentally it is in our interest to negotiate trade agreements with other nations to reduce their barriers to our exports. There is no question that is in America's economic interest. For that reason, I voted for the GATT agreement, the General Agreement on Tariffs and Trade. But I also recognize that the devil is in the details, and we have seen that both with the Canadian Free Trade Agreement and the North American Free Trade Agreement. There were flaws in those trade agreements, serious flaws that should have been fixed before America signed off on those trade agreements.

Before I go further into the details of what was wrong with NAFTA and the Canadian Free Trade Agreement and how those flaws came about, I would like to report to those who are listening on what happened in the Senate Finance Committee in considering the fast-track legislation that is before us, because I find just the process that has led us to where we are today disturbing.

Senator GRAMM said this is the most important measure this Congress will consider this year. I don't know about that, but certainly it is a very important measure. I would guess the American people think, well, the committees have gone over this, they have debated it, they have discussed it openly and freely, Members have had a chance to offer amendments. That is how the process usually works around here, but that isn't what happened on this bill that is before us today. No, no, something quite different happened.

We had a meeting, a closed meeting, outside of the public eye in the back room of the Finance Committee. A number of us had a chance to say, look, we think there are flaws in this legislation that ought to be fixed. The chairman told us he didn't want any amendments when we went out into the formal session. I didn't know that he meant by that that he wouldn't permit any amendments, but that is what happened, because when the closed meeting ended and we went out into public session, something occurred there that I have never seen in my 10 years in the U.S. Senate. There was no debate, there was no discussion, there were no amendments, because none were permitted.

Instead, this legislation was combined with the Caribbean Basin initiative and the tax provisions of the highway bill. They were wrapped all into one vote, no rollcall. The three of them together were voice voted, and no amendments were permitted. That is what happened. That is not my idea of the legislative process.

What are the advocates of this legislation so afraid of? Why can't we have votes on amendments? Why can't we have a debate? We certainly didn't have it in the Senate Finance Committee that has the jurisdiction over this legislation. I think I found a number of reasons maybe why they don't want to have amendments considered and they don't want to have a chance for debate and discussion. Maybe it is because there are flaws in this agreement and they would just as soon not discuss those flaws.

Mr. President, I think I detect at least three serious flaws in what is before us. First of all, we have to understand what fast track is all about, and I think every Member here understands that fast track means that individual Members give up their right to amend legislation implementing trade agreements.

That is a remarkable thing, because the greatness of this body is that every Member has a right to offer amendments on every bill in order to alter it, change it, to fix it. But we give up that right under fast track. The idea is that that is important to do, so that the President can negotiate trade agreements, because other countries would be reluctant to negotiate if the resulting agreements were then subject to amendment on the floor of the Senate.

Mr. President, the idea is that in exchange for giving up the right to amend, that Congress will be fully consulted in negotiating those trade agreements. It is called consultation.

Mr. President, I have been here now through GATT, through NAFTA, and through the Canadian Free Trade Agreement. And I think I can report, without fear of contradiction, that the notion that Congress is consulted is largely a formality. It is more of a wave and a handshake than it is any kind of serious consultation with Congress. None of that would matter so much if it did not mean that we lose the opportunity to correct flaws in agreements before they are signed off on by our country. Before Congress is faced with an up-or-down vote, you approve it all or you kill it. Under fast track, it is all or nothing.

That is what is seriously wrong with what is in front of us. We have given up the right to amend but we have not gotten in exchange any serious consultation process to try to prevent mistakes from being made before agreements are reached. That is not in America's interest.

The result has been, in previous agreements, that very serious flaws have been included that were injurious to America's interests.

In a minute I will discuss one that has affected my State and affected it seriously.

The second point I want to make, the second flaw that I have detected in this legislation, is we still have no means of correcting previous agreements that contain mistakes.

I know people who are listening must think, ''How can that be? I mean, we have a circumstance in which we enter into trade agreements, but there is no mechanism for fixing mistakes that are contained in agreements we have already entered into?''

Well, as shocking as that might seem, that is precisely what we have. We have a circumstance in which, if there is a mistake in a previous agreement, there is no mechanism for fixing it.

Some will say, who are trade experts and listening, ''Well, the Senator is not right. We do have a way of fixing things. We can file a section 301 case.''

Well, let me just say, for people who are not aware of the technical details in trade legislation, section 301 is like an atom bomb. Section 301 means we take retaliatory action against a country. But they, under trade agreements we have signed, can then retaliate against us. And guess what happens? If we go the route of a 301, which is rarely done—rarely done—the country that we retaliate against for an unfair trade practice retaliates in turn against us. Obviously, then our country is very reluctant to take such an action.

That leaves us without any practical way to fix the mistakes in past agreements. I was prepared, in the Finance Committee, to offer an amendment as part of the negotiating instructions to our trade negotiators that they ought to pursue a mechanism for fixing trade agreements that are flawed. Is that such a radical idea? Sounds like common sense to me. We ought to have a way of fixing agreements that have mistakes that are flawed.

Mr. President, I am not just talking theoretically here. I am talking out of practical experience, of a bitter experience, that my State had with the so-called Canadian Free Trade Agreement.

In North Dakota, we produce Durum wheat. We produce the vast majority of Durum wheat produced in the United States. In fact, nearly 90 percent of the Durum produced in America is produced in North Dakota.

Durum, for those who may not be familiar with that term, is the type of wheat that makes pasta. Of course, pasta has enjoyed a dramatic increase in consumption in this country, and North Dakota has been the place that has provided the raw product.

Well, in the Canadian Free Trade Agreement there was a flaw, there was a mistake, and that provided an enormous loophole for our neighbors to the north to put Durum wheat into our country on an unfair basis. And you know what happened? Canada took advantage of that loophole, that mistake, that flaw, and before you know it, they went from zero percent of the United States market—zero—to 20 percent of the United States market.

I have a chart that just shows what occurred in Durum after the Canadian Free Trade Agreement.

This is before the Canadian Free Trade Agreement. You can see they had zero percent of the U.S. market—zero.

After the Canadian Free Trade Agreement, and its flaw, Canada started dramatic increases in exports to the United States. In fact, they reached this level, which represented 20 percent of the U.S. market.

We then were able to put limitations in place—something we could no longer do because of succeeding trade agreements that we have signed—and we were able to reduce their unfairly traded Canadian grain back to a more tolerable level. But we cannot put this kind of limitation in place anymore. So we are left with a circumstance where one of the major industries in my State is vulnerable to unfair competition.

Some would say, ''Well, it sounds to me, Senator, like you're just afraid of competition out in North Dakota.'' Oh, no. We are not afraid of competition. We are ready to take on anybody, anytime, head to head in any market anywhere. We are among the most competitive agricultural areas in the world. But we cannot take on the Canadian farmer and the Canadian Government.

And that is what we are being asked to do. Because, while the Canadian Free Trade Agreement says—and says clearly—neither side shall dump below its cost in the other's market, in a secret side deal, never revealed to Congress, our trade negotiator at the time told the Canadians, ''When you calculate your cost, you don't have to count certain things. One of the things you don't have to count, you don't have to count the final payment made by the Canadian Government to the Canadian farmer.''

Guess what the Canadians did? They dramatically decreased the payments that count, and they increased the amount of their final payment to the Canadian farmer. And they do not have to count one penny of the final payment for the purposes of determining whether they are dumping wheat below their cost into our market. I know that is a flaw. That is a mistake. That is unfair. But you go and try and fix it, and what you will find is there is no mechanism for fixing past flawed agreements.

I think we ought to tell our negotiators, as part of their negotiating instructions, ''Go and try to get a mechanism for fixing trade agreements that have mistakes.'' But that amendment could never be offered in the Senate Finance Committee because no amendments were permitted. Why? I have never seen that in my 10 years in the U.S. Senate in any committee on which I have served. No amendments permitted—none. That reminds me of a different country and a different time—not the United States.

Well, the third C that I talk about is currency valuation, because I think that, too, is something we ought to consider.

There is no consideration in these trade negotiations about the currency stability of the country with whom we are negotiating.

NAFTA is a perfect example of what that can mean.

This chart shows that in the NAFTA agreement we were able to secure a tariff gain of 10 percent by that trade agreement because we were able to convince Mexico to reduce their tariffs by that amount. So we got a tariff gain of 10 percent in terms of our competitive position.

Mexico, shortly thereafter, devalued its currency by 50 percent, completely overwhelming and negating what we had accomplished in the trade negotiation. Is it any wonder that we went from a trade surplus with Mexico before NAFTA to a $16 billion trade deficit with Mexico today? But nobody wants to talk about it, nobody wants to have an amendment offered that deals with this question.

All I am asking is that when we are negotiating with a country, that we ought to get a certification from our President that he has examined the currency stability of the country with which we are negotiating so that he can assure us that there is little risk of a dramatic devaluation that would completely wipe out what we accomplished at the trade negotiating table.

Common sense. It just makes common sense. You look before you leap. You examine the currency stability of the country with whom you are negotiating so that you can assure yourself they are not going to have a dramatic devaluation that wipes out what you accomplish at the trade negotiating table.

That amendment was never considered because, again, no amendments were permitted in the committee.

Mr. President, I would like to be able to vote for fast track. I believe in freer trade. But I also believe that there are serious flaws in this fast track proposal that deserve debate and discussion and votes on amendments. We were denied all of those in the Senate Finance Committee. I have never seen it in 10 years in the U.S. Senate. We are now going to have a chance here on the floor to offer those amendments—at least, I hope we are—I hope the majority leader is not going to come out here and fill up the tree and prevent amendments being offered by Members.

Mr. President, this is a serious matter. Senator GRAMM again said this is the most important vote we are going to have in the Senate this year. Again, I am not sure I would put it at the very pinnacle, but no question this is an important matter.

The fact is, the United States has a lot to gain and a lot to lose. We have a lot to gain if we really accomplish freer trade in this world because we are the most competitive nation on the globe. We have a lot to lose if we negotiate flawed agreements. We have a lot to lose if we continue on the path that leads to a nearly $200 billion trade deficit in part because the United States has not been tough enough in negotiations with other countries.

It seems to me these three C's that I have outlined—of consultation, of correcting prior agreements that have flaws and, third, that we consider the currency valuation of the country with which we are negotiating so that we can be confident they will not engage in a dramatic devaluation and completely offset what we have accomplished at the negotiating table—are commonsense measures.

I hope my colleagues, when I have a chance to offer these amendments, will carefully consider them because this is an important matter. We have a chance to make this fast-track proposal much better, to guard the interests of the people of the United States much better.

Mr. President, I will conclude as I began. I have supported well-crafted trade agreements. I was proud to vote for GATT. But I have opposed those agreements that I thought were flawed and not in the national interest.

Now, again, all Members are going to have to make a decision and a determination. And I say to them, as a member of the Finance Committee that considered the legislation before us, that it is flawed, and it ought to be fixed. Hopefully, we will have the opportunity to do that on the floor of the Senate, which we did not have in the Senate Finance Committee.

I thank the Chair and yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from California.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent for such time as I may consume.

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

Mrs. FEINSTEIN. Mr. President, I rise this afternoon to offer my views on this fast track proposal before the Senate. I have followed the debate very carefully. California has a significant stake on issues of international trade, an important engine driving the California economy today.

In recent weeks, we have heard a great deal about fast track, often with broad, sweeping claims. Some have said those voting against fast track are protectionist, xenophobic or antitrade. Others have claimed fast track is the Sun, the Moon, and the stars. I want to take a few minutes to describe just what I think fast-track authority is all about. Fast track is the abrogation of congressional authority to have some leverage on trade agreements and the ability to offer amendments on the floor.

This fast-track bill provides the President, for the remainder of his term, plus an optional extension, the authority to negotiate any trade treaty in the world and bring it rapidly to this body, without an opportunity to offer amendments. Article 1, section 8, of the U.S. Constitution gives the Congress responsibility over economic matters. Through fast track, we are effectively abrogating this responsibility.

There is no State in this Nation that has a more important role on issues of

trade than the State of California. The stakes are very high.

California is the seventh largest economy on Earth. We are the economic powerhouse and the economic engine of the Nation, responsible for 13 percent of the Nation's economy and 20 percent of the Nation's export.

Free and fair trade is an integral part of California's economic future. But free and fair trade can only be brought about through a level playing field, with everybody playing by the same rules. My job as a U.S. Senator is to stand up and articulate my State's interests when its needs and concerns are not being taken into consideration. Simply stated, fast track gives the President total authority to negotiate any trade agreement.

Is fast track absolutely necessary? We have heard a great deal of comment and concern, calling for the passage of fast track: ''We have to do it, we have to do it, you are un-American if we don't do it.'' But the fact of the matter is this President has concluded 220 trade agreements, and only 2 of them, the GATT Uruguay round and the North American Free Trade Agreement, have required fast-track authority.

In fact, other than GATT and NAFTA, there have only been three additional agreements in the Nation's history that have been adopted through the fast-track process: the Tokyo round of GATT in 1975, the United States-Canada Free-Trade Agreement in 1998 and the United States-Israel Free Trade Agreement in 1989. These are the only five agreements in the history of our Nation that have been passed using the fast-track process.

Yet we have seen exports increase in our country by 50 percent since 1991, without fast-track. Today, exports are 30 percent higher than they were in 1993. The trade growth and the trade agreements are occurring without fast-track authority.

Now, it may well be if I were the President of the United States, I would want to have fast track, too. It would make my life simpler. I would not have to deal with a Congress that can sometimes be recalcitrant or difficult and, at our best, obstreperous, and at our worst, an actual impediment.

However, the Senate is supposed to be a deliberative body and I feel sometimes no legislation is better than just any legislation. Yet with this fast track matter, we have seen a great rush. We are told we can't wait until next session or next year to have more thoughtful consideration on this issue. We have to do it right now.

I must tell you, the stakes are very big for my State. Fast track forces me to give my authority to offer changes. I give up my ability to pick up the phone and tell the administration, ''Hey, if you negotiate this, I'm going to try to amend it on the floor because it disadvantages industries in my State.''

The bottom line is, I think, the argument that the United States can't negotiate trade agreements without fast track, based on the record, are incorrect. Senator BYRON DORGAN has ably pointed out that the agreements that have been the subject of fast track, have been followed by a growing negative trade balance. Yet we can't do anything about it so we don't talk about it.

Under NAFTA, a $1.7 billion trade surplus in 1993, after NAFTA's passage, grew to a record trade imbalance of $16.3 billion by 1996. Our trade deficit with Canada has also grown, more than doubling from $11 to $23 billion annually.

We can't amend NAFTA, we can't change NAFTA. All we can do is give 6 months' notice and withdraw. The stakes are very big now, and withdrawal is not apt to happen politically.

The GATT agreement, which I voted for, has contributed to the largest merchandise trade deficit in U.S. history, rising in each of the last 4 years to an all-time high of $165 billion today.

I think these mounting trade deficits should be a loud and clear message that America should negotiate better trade deals rather than give up congressional responsibility through fast track. To me, these experiences say, ''Go slow. Fast track may well backfire.''

Yet, through fast track, we are saying we have to proceed quickly, we have to give up all scrutiny, we have to give up all right of amendment: do it fast, do it fast.

I would like to discuss one area where we face significant concerns. Right now, the international financial markets are more complex than ever. Today's international trading picture is more diverse and complicated than ever before. Take, for example, the currency problems some Southeast Asian nations are experiencing, which may well create a very unanticipated result.

Earlier this month, the International Monetary Fund announced it is preparing an emergency line of credit for Indonesia. The Indonesian rupiah has dropped more than 18 percent against the dollar since late September. Thailand received a $17 billion loan from an IMF-led consortium in August, which represents the second largest IMF rescue package ever.

Indonesia and Thailand now join the Philippines as Asia's former ''economic tigers'' who have looked for IMF emergency help due to financial crisis. As you may recall, following NAFTA, the United States extended the largest loan package to Mexico when it faced financial crisis and the peso was devalued. Much to Mexico's credit, this loan was promptly and fully repaid.

Many knowledgeable people involved in the Pacific rim trading theater believe these currency fluctuations are very serious harbingers of things to come. In many of these countries, banking practices may also be a subject of concern, with loans extended to those with political clout, rather than the most worthy. These currency fluctuations may foreshadow major banking scandals in the future.

If you combine questionable banking practices with currency fluctuations, we may see a scenario in which the only course open to some of these nations is for them to press harder to increase their exports and erect import barriers, regardless of what the trade agreements say. Further, the United States does not have a great record in enforcing many of the agreements that are on the books. As a result, U.S. manufacturers would lose exports and market share.

Free and fair trade is an integral part of California's economic future. But under fast track, California's two Senators could very easily get rolled despite the State's enormous economic stake. Many States, each with two Senators, don't have nearly the economic interests that we do. My State could face an agreement that very much disadvantages California's industries, and I would have no opportunity to try to correct that.

We are the leading agricultural State in the Union, home to 10 percent of the Nation's food processing employment.

The California wine industry is the Nation's leader, producing 75 percent of the wine and 90 percent of the wine exports.

We are the leading high-technology State, providing 20 percent of the Nation's jobs in high technology.

We lead the Nation in entertainment, providing 50 percent of the Nation's production.

We are home to 5 of the Nation's 10 largest software firms. We are the Nation's leader in biotechnical and pharmaceutical products, providing as much as 30 percent of the Nation's output. Yet, under fast track, I am asked to give up any opportunity to fight for my State's interests on the floor of the U.S. Senate if they are disadvantaged by a trade agreement negotiated by the administration. I cannot agree to those restrictions.

Let me talk for a moment about specific concerns with S. 1269, the Finance Committee bill. I have listened intently to the debate other the past several weeks. I have scrutinized amendments which may be offered to this legislation. In my view, the major deficiencies in the fast-track legislation before the Senate have not been addressed. In some ways, the legislation before the Senate today is weaker in addressing those concerns than in prior fast-track laws.

Under S. 1269, trade negotiations that involve issues such as protecting U.S. manufacturing, labor, or environmental standards, cannot be included in the fast-track process but will have to be dealt with separately where they could be the target of amendments, Senate filibusters, or bottled up in committee and never see the light of day.

Let me give an example. Unlike previous fast-track laws, S. 1269 requires

that a provision of a trade agreement, to be entitled to receive the protection of fast track, must be ''directly related to trade.''

Previous fast-track laws have provided fast-track benefits to those provisions of an agreement that ''serve the interests of U.S. commerce'' and are ''necessary and appropriate'' to carry out the agreement.

So what is the practical effect of the changes? If a trade agreement included a component to fund border cleanup, these cleanup provisions could not be protected by fast-track rules because they are not considered ''directly related to trade.'' They would have to proceed through the regular legislative process, subject to amendments, filibusters, with no certainty the provisions would ever receive a vote.

For example, NAFTA implementing legislation reduced tariffs in Mexico, Canada, and the United States and created the Border Environmental Cooperation Commission and the North American Development Bank to fund environmental cleanup. Although adopted in the NAFTA fast-track approval process, these two entities would not be eligible for fast-track if they were included in a future trade agreement brought under S. 1269's fast-track authority.

S. 1269 limits congressional opportunity to remedy worker safety, wage, and environmental concerns. Section (2)(b)(15) of the bill seeks to prevent foreign governments from ''derogating,'' or reducing, a country's laws or regulations to provide a competitive advantage to its domestic companies or to attract investment to the country.

That sounds good, but what about those countries who have weak or even no environmental or labor standards in the first place? There is no provision in this legislation that would obligate countries to enact fair labor or environmental laws or to remedy serious inequities that already exist between the United States and other countries.

Furthermore, because efforts to address these inequities would not be considered ''directly related to trade,'' any agreement addressing these issues would not be protected under fast-track rules but would be subject to amendment, filibuster, and other procedural rules that could prevent them from ever seeing the light of day.

Additionally, even in those cases where a country has derogated or failed to enforce environmental or labor laws, S. 1269 sets up an impossible enforcement standard. Not only must the United States prove that a country waived or reduced a law or regulation, but it must also prove that it did so to obtain a competitive advantage. Under this legislation, the onus is on the United States to prove a country's motives.

Let me give you some examples of the competitive disadvantage U.S. manufacturers would face, disadvantages the United States would be unable to require other countries to correct:

PCB's and benzene are prohibited in the United States in order to protect public health and safety, but they remain legal, low-cost solvents in Mexico. This reduces a Mexican company's manufacturing and cleanup/disposal costs to the disadvantage of United States companies, but raises significant health risks.

Mexico has a significant problem monitoring and controlling hazardous waste. Less than 20 percent of the industries producing hazardous waste in Mexico, 70 out of 352 industries, report proper hazardous waste disposal. Fewer than 20 percent of those industries meet their obligations. A 1995 report indicates that up to a quarter of all hazardous waste, about 44 tons daily, originating in the industrial border area in Mexico, the maquiladora area, simply disappears with no documented end point. No U.S. companies could get away with that. But companies in Mexico are able to get away with, undermining public health and safety, and gaining a cost advantage along the way.

In Tijuana, 7 miles south of California, lead and arsenic is, today, collecting in an uncontrolled pile. In the United States, these materials, which are found in every battery, can only be handled in a ''contained or controlled'' environment to protect against leakage, and they are buried in clay or porcelain-lined pits. In Tijuana, no cleanup has occurred.

I would like to offer another example. Molded plastic, such as the simple types of chairs or tables in many backyards, emits toxic fumes during the molding process. In the United States, the fumes must be captured during manufacturing under what's called an exhaust hood. But in Mexico, the cheaper manufacturing process is conducted in open air without an exhaust system, allowing for the release of the harmful toxins.

Now, these are specific, ongoing examples of disparities in environmental standards that serve as either an inducement for manufacturers to lower their standards, or a competitive disadvantage to U.S. manufacturers who are required to meet higher standards to protect public health and safety. They also are part of the sucking sound that Ross Perot described, in which U.S. industries are drawn to Mexico to manufacture, because they don't have to abide by the higher standards in the United States. There is no remedy for this under this fast-track law.

Without a remedy available as part of trade negotiations, these disparities in standards only encourage the flow of more jobs to areas with the lowest standards and, hence, the lowest manufacturing cost. The low-cost areas will include many Asian countries in the future.

Now, I would also like to give you a specific example illustrating the problems and why I feel so strongly. The example involves the California wine industry, which represents 75 percent of the Nation's output of wine and 90 percent of the Nation's wine export products.

NAFTA had an immediate negative impact on the California wine industry. Coincident with NAFTA, Mexico gave Chilean wines an immediate tariff reduction, from 20 to 8 percent, and a guarantee of duty-free status within 1 year. By contrast, United States wines face a 10-year phaseout of a much higher Mexican tariff, disadvantaging them in the Mexican market.

The result was predictable: United States wine exports to Mexico, following NAFTA, dropped by one-third, while Chilean wine exports to Mexico nearly doubled. Chilean wine picked up the market share lost by United States wineries dominated by California.

During the NAFTA debate, the administration pledged, in writing, to correct inequities within 120 days of NAFTA's approval. I would like to quote from a letter from the U.S. Trade Representative:

> . . . I will personally negotiate the immediate reduction of Mexican tariffs on U.S. wines to the level of Mexican tariffs on Chilean wines and, thereafter, have hem fall parallel with future reductions in such tariffs.

You would think that at least by today, 3½ years later, the tariffs would be equal. Not so. Three and one-half years later, they remain enshrined in law and there seems to be nothing we can do about it.

As a matter of fact, as a result of an unrelated trade dispute, Mexico actually raised tariffs on United States wine to the pre-NAFTA level of 20 percent, an increase above the 14 percent rate it had reached. The 20-percent tariff remains in effect today, representing a wipeout of United States market share to the Chilean wine entering Mexico.

From Mexico's standpoint, the strategy is clear. You keep the tariffs up for a period of time, eliminate United States market share, and another country comes in that doesn't face those tariffs and builds up sales and market share. That is exactly what has happened, chapter and verse.

GATT, which I supported, also contained monumental inequities for this important industry. This time, the problem was in the European Union, and this is how it worked. Even though the United States had the lowest tariffs of any major wine producer, United States negotiators agreed in the Uruguay round to drop our tariffs by 36 percent over 6 years, while the world's largest wine producer, the European Union, dropped its tariffs by only 10 percent.

As a result, the current U.S. tariff on all wine products is an average of 2.4 percent, compared to the EU's current average tariff is 13 percent.

GATT also disadvantaged California's entertainment industry, which allowed European restrictions on U.S. programming to persist. Europe didn't accept the GATT commitments on the audio-visual services. Instead, the EU

maintained its 1989 European Union Broadcast Directive, which limits the market for U.S. movies and television broadcasting. France, for example, requires that 40 percent of all feature films and transmission time must be of French origin, while 60 percent must be of EU origin, leaving only 40 percent of the market open for United States competition.

So, you see, GATT and NAFTA, both the product of fast-track during my time here in the Senate, left California industries with significant disadvantages. During those negotiations, I called the administration and I said, ''These are huge industries in my State and they will be hurt under this agreement.'' And I was effectively rolled. Why should I, or any Member of this body, give up our opportunity to stand on this Senate floor and move an amendment to protect an industry within our State?

That is what fast-track does, ladies and gentlemen. That is what fast-track does.

Through fast-track, we knowingly abrogate our responsibility, despite the requirements of the Constitution of the United States, article I, section 8, which gives that authority to the Congress of the United States.

As I said earlier, if I were President, I might want fast-track authority. I am not; I am a U.S. Senator. I am elected to protect the people and the industries and the workers in my State.

Now, there are ways that the legislation can be strengthened. One is to require that tariffs in other countries be reduced first, before we commit to deeper reductions in already lower United States tariff levels. All too often, the price of modest tariff reductions abroad is deeper reductions in the United States. U.S. producers need a level playing field.

Another important area for improvement is stronger enforcement. We need stronger enforcement tools, if trade barriers are not lowered as provided for in the agreement. A recent report from the American Chamber of Commerce in Japan said more effort must be dedicated to enforcement of existing trade agreements.

We can have appropriate environment and labor incentives built into these agreements.

I have always believed that the American dream was that workers on a plant production line, by dint of his or her work, could buy a home, buy a car and earn enough to send his or her kids to school. The American dream, to me, has always been that, by dint of labor, you can have all of the opportunities in this great country.

I didn't run for the U.S. Senate to preside over the diminution of the California worker or the American worker. I didn't run for the U.S. Senate to see that a 60 cents an hour minimum wage standard would prevail. I ran for the U.S. Senate to try to see that this American dream enables somebody, by the dint of their labor, to buy a home, buy a car and send their kids to good schools, so that the next generation can do better than the previous generation. I don't think that is an unrealistic dream. It has always been the dream of America. We can have appropriate environment and labor incentives.

Another area for reform is an effective dispute-resolution process. Farmers face phytosanitary disputes on the border all the time. Arbitrarily, countries and border agents can deny access to products like wheat in China or grapes in Australia or citrus in another country because of some claim somewhere. These barriers may have little basis in science or public health, but may reflect political judgments.

In conclusion, let me only say that I represent a huge State. I don't serve on the Finance Committee. The only opportunity I have to protect the industries and people of my State is the ability to stand up on this floor and introduce an amendment and say to the administration, ''If you do this, I am going to filibuster the bill, I am going to amend the bill, and I am going to protect the people of my State.''

Fast track is a total surrendering of this ability, without knowing what agreements are coming down the pike, without knowing what I am going to be asked to accept, or the industries are going to be asked to do. Fast track has to be reviewed in that framework because that is the true framework in which this decision is going to be made.

I thank the Chair. I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I speak on behalf of the passage of the legislation which will soon be before us which will authorize the President to enter into negotiations on behalf of this Nation as it relates to trade and trade-related matters.

Mr. President, we refer to this legislation as fast track. As with a number of other policy issues here in Washington, I consider these words to be nondescript. They do not convey what it is we are being asked to vote upon.

This legislation first establishes a framework within which the President of the United States can conduct negotiations. In essence, it is analogous to a board of directors of an organization telling its executive that it can negotiate a particular contract but stipulating what the conditions of that contract must be and what the limits of the negotiating authority are. When that negotiation reaches a conclusion, and if that conclusion is a trade agreement, when that agreement is returned to the Congress where the Congress has a single ''yes'' or ''no'' vote but cannot modify the agreement, and in the case of the Senate surrender some of the prerogatives relative to extension of debate and other procedural advantages which are normally available to us as individual Members of the Senate, the question is, why will the Congress today be willing to do this? Why have Congresses over the past two or three decades been willing to pass such legislation and transfer a portion of their authority to the President? The answer is very simple. That is, if we do not do this, we don't have the opportunity to enter into trade negotiations because our trading partners will not come to the table.

Why would countries like Great Britain, France, Argentina, and Japan not want to come to negotiate with the United States unless the President had this authority? Most of those countries have some form of a parliamentary form of government in which the executive branch and the legislative branch are effectively merged. Therefore, when the Prime Minister speaks on behalf of the Government of the United Kingdom, as an example, he or she is not only speaking as the head of the executive branch but speaking as the head of the legislative branch and as the head of the political coalition which controls the Government. So what the Prime Minister says at the negotiating table there is the political capability and expectation of his or her ability to deliver on behalf of the Government of the United Kingdom.

In the case of the United States, we don't have this integration of the executive and the legislative branch, and frequently the President is not the head of a coalition that effectively controls Government. We have one of those examples today in which the President is of one political party, the leadership of the Congress is of another. So our trading partners would say, why should I sit down with the President to negotiate the best agreement that I can? And, like all agreements, trade agreements contain a heavy component of compromise. You gain some benefits in area A, and you give some benefits in area B in order to reach an agreement that both sides will feel is advantageous. Our trading partners would say, why would we agree to such a treaty knowing that then Congress is going to come back, and in area B where we got our principal benefits they will try to offer a series of amendments to strip us of those benefits?

So the product that would finally emerge would not be one that both sides would feel is balanced and that can be supported.

So, the reason that we have this process is because without it we never get to the question of whether we would have a negotiated agreement because the other parties would not sit with us to enter into that discussion.

So, this is fundamentally a question of does the United States wish to negotiate trade agreements, or do we wish to sit in the stands while the other nations of the world negotiate trade agreements that will have an impact upon us?

I know that this debate is heavily affected by history. Much of that history

is a result of the North American Free-Trade Agreement and negative experiences that people have had under the North American Free-Trade Agreement.

I come from a State that has felt that sting of the North American Free-Trade Agreement, particularly as it relates to agriculture. Our congressional delegation was very concerned about this in the days leading up to the final vote on the North American Free-Trade Agreement. We secured what we thought were some protective understandings from the administration. And I am sad to say that through a combination of inadequate enforcement and a failure to keep commitments we were very disappointed, and many sectors of our agricultural industry were adversely affected. Learning from this lesson—not what some have learned, which is we should wash our hands of this process and have nothing more to do with attempting to negotiate trade agreements, or to be involved when other people are negotiating trade agreements—the lesson that I and others have learned is this time we are going to put these concerns into writing in the legislation which sets the parameters for the negotiation and not depend upon promises of what will happen after the negotiation has been concluded.

So, in this fast-track legislation as passed by the Senate Finance Committee there are a number of provisions that are intended to provide that enhanced level of confidence that agreements reached will be agreements enforced, that commitments made will be commitments realized.

Let me just quote from page 8 of the Finance Committee's version of this legislation beginning on line 6:

> Agriculture: The principal negotiating objectives of the United States with respect to agriculture are in addition to those set forth in various sections of the Food Security Act of 1985 to achieve on an expedited basis to the maximum extent feasible more open and fair conditions of trade in agricultural commodities by . . .

And then a series of specific points are mentioned. Let me refer to three of those specific points.

> Specific requirements for negotiators to account for the unique problems of perishable agricultural products, including disciplines on restrictive or trade distorting import and export practices;
>
> Two: Requirements to address market access for the United States agricultural products, including removing unjustified sanitary and phytosanitary restrictions;
>
> Three: Protection against unfair trade practices, including State subsidies, dumping, and export targeting practices.

All of those, Mr. President, and more are listed in the fast-track legislation that is before us.

In addition to that, in the report language submitted by the Senate Finance Committee, there is a requirement for the President to account for foreign unfair or trade distorting practices for specific sectors, particularly perishable agricultural products, citrus fruit, and fruit juices.

So, we have learned some of the lessons of the recent past and are now applying those lessons in terms of the parameters of the negotiation in this fast-track agreement.

Why do we need to be there in the first place? We had this experience in the recent past. Why not just step back, defend our position in America, and let the rest of the world take its place?

I believe, Mr. President, that we are facing a stark choice; that is, a choice as to whether the United States is to maintain its leadership position in the world, to be at the table writing the rules of international trade so that those rules will take into consideration our circumstances, our expectations, and our economic interests. Or, are we to retreat from the world, and allow others to write the rules to their advantage?

Mr. President, we represent only 4 percent of the customers of the world. Ninety-six percent of the people on this planet are not residents of the United States of America. We cannot maintain our growing economy and its standard of living unless we reach out to that 96 percent of our fellow human beings who do not live in our country. We cannot maintain our current record level of economic growth and expansion and prosperity and full employment without active trade. The United States has already opened its borders to foreign goods. We have recognized the benefit to our people of having access to goods and services that are produced outside the United States. We have done so most dramatically by reducing our tariffs to an average level of 2 percent. That is the average level of tariff on products coming into the United States. But our products going out of the United States trying to reach that 96 percent of mankind who are not U.S. residents face tariffs that exceed 10 percent on average.

As an example, the country which is specifically mentioned in this legislation as being authorized for the President to negotiate membership in the North American Free-Trade Agreement is Chile. In February of last year, I visited Santiago. We learned from the United States-Chilean Chamber of Commerce that the average tariff against United States products in Chile is 11 percent. The average United States tariff against Chilean products is the 2 percent, which is the worldwide average.

In a discussion with several businesses, some of which are United States, some of which are non-United States, as to what would be the effect of the United States entering into an agreement which would reduce Chilean tariffs against United States products, the answer was universally that it would lead to a substantial increase in the Chilean purchase of United States products.

As an example, one firm that was in the boat building and boat repair business said that they bought their sheet steel and their machine tools from Europe because at the current level of tariffs Europe was more economically competitive, but that with a lowering of Chilean tariffs against United States products, the opening of a free trade relationship between the United States and Chile, they would shift their purchases of those products to the United States to the substantial benefit of our country.

Chile is a relatively small country, a population of about 15 million. It is about the same size as my State of Florida. But it is a country which has had a dynamic market-driven economic growth over recent years. It has had a powerful influence on other developing countries in South America, and in the world. Establishing this relationship with Chile would be a strong United States recognition of the progress that this country has made, and an encouragement for others to follow Chile's example.

Unfortunately, Mr. President, most of the debate about fast track has in fact focused on our own hemisphere, and specifically on the expansion of the North American Free-Trade Agreement.

That is certainly an important part of this fast-track authority, but it may be secondary in its importance to the U.S. economy to a series of important sectoral negotiations which are going to commence under the GATT agreement to which we have already agreed.

Under the GATT agreement beginning in the next few years, there will be a series of negotiations on specific economic sectors. I would like to focus on one of those sectors which will be the topic of negotiations in 1999. And that is agriculture. This is important to us because agriculture represents the area of trade in which the United States has the greatest surplus with the world. The largest area in which the United States has an advantage in terms of export over import is in agricultural products.

What are we going to be trying to accomplish at the 1999 agricultural sectoral negotiations? Some of the objectives of the United States will include reducing foreign tariffs in consultation with the U.S. agricultural industry on fruits and vegetables. Today, for example, Japan imposes a tariff on oranges which is as high as 40 percent. Other countries have similarly high tariffs on citrus products and other processed fruits and vegetables. One of our principal negotiating objectives will be to drive down those barriers to U.S. agricultural products in important markets.

Another objective will be to increase or eliminate tariff rate quotas. These are the limits on the amount of goods that the United States can export to a country before it faces high and often preventive levels of tariffs. We want to see those quota limits as high as possible or totally eliminated. This is another important objective of our negotiations.

Mr. President, our distinguished chairman has asked to have the floor returned to him, and I shall do so by just summarizing to say that two other important agricultural objectives are to eliminate export subsidies and to eliminate state trading enterprises which have both distorted the agricultural market. If we do not pass this legislation, the United States will not be at the table in 1999. We will not have the opportunity to advance our goals.

There are risks involved in extending to this President the same authority that we have granted to Presidents over the last two decades, but I believe the greater risk for the United States is to stand on the sidelines and let others write the rules that will determine our economic well-being. I believe the United States needs to be there. We need to be there with a sense of strength, pride, and confidence in our ability to negotiate an agreement. And if the President is found to have acted in a foolish way that is contrary to U.S. interests, we have the responsibility and the power to reject that agreement with a decisive ''no'' vote.

Mr. President, I appreciate the leadership which our chairman has given on this matter. I know what a strong supporter he has been on the issues.

I ask unanimous consent to have printed in the RECORD the draft of an amendment which I intend to offer, assuming that we move to proceed to this matter, which relates to increased enforcement responsibility for the executive branch relative to any treaties that it might negotiate.

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

AMENDMENT NO. —

(Purpose: To require a plan for the implementation and enforcement of trade agreements implemented pursuant to the trade agreement approval procedures)

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly.

SEC. 6. ADDITIONAL IMPLEMENTATION AND ENFORCEMENT REQUIREMENTS.

At the time the President submits the final text of the agreement pursuant to section 5(a)(1)(C), the President shall also submit a plan for implementing and enforcing the agreement. The implementation and enforcement plan shall include the following:

(1) BORDER PERSONNEL REQUIREMENTS.—A description of additional personnel required at border entry points, including a list of additional customs and agricultural inspectors.

(2) AGENCY STAFFING REQUIREMENTS.—A description of additional personnel required by Federal agencies responsible for monitoring and implementing the trade agreement, including personnel required by the Office of the United States Trade Representative, the Department of Commerce, the Department of Agricultural, and the Department of the Treasury.

(8) CUSTOMS INFRASTRUCTURE REQUIREMENTS.—A description of the additional equipment and facilities needed by the United States Customs Service.

(4) IMPACT ON STATE AND LOCAL GOVERNMENTS.—A description of the impact the trade agreement will have on State and local governments as a result of increases in trade.

(5) COST ANALYSIS.—An analysis of the costs associated with each of the items listed in paragraphs (1) through (4).

Mr. GRAHAM. Mr. President, with that, I again express my appreciation to our chairman for his leadership and urge our colleagues to follow that leadership by supporting this important legislation.

The PRESIDING OFFICER (Mr. COATS). The Senator from Delaware.

Mr. ROTH. I thank the distinguished Senator for his words of support.

I now yield 10 minutes to the distinguished Senator from South Dakota.

Mr. DORGAN. Mr. President, might I ask unanimous consent that following the presentation by the Senator from South Dakota, I be allowed to yield up to 20 minutes to the Senator from Colorado?

Mr. ROTH. That is fine.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON. Mr. President, I thank the distinguished chairman of the committee and thank him for his leadership on this extraordinarily important issue for our Nation.

I rise in support of the motion to proceed on fast-track negotiating authority, and I rise as one who as a Member of the other body cast a vote ''no'' on NAFTA and ''yes'' on GATT, and one who appreciates that the judgment on the final merits of negotiated trade agreements is something that comes next; that what we have at hand here is a critical procedural issue about whether in fact this administration, as past administrations, will have the authority to go forward to at least be at the table on trade arrangements.

So I am very mindful that today we are talking about process and not a final trade agreement, and that all of us as Members of this Senate will reserve our judgment on the merits of whatever negotiated agreement comes back to us for our ratification.

The Reciprocal Trade Agreements Act of 1997 simply provides the same basic structure and authority for this President as has been provided for past Presidents of both political parties back to President Ford. And if anything, this act strengthens the hand of Congress. It provides for more notification, more consultation, and in fact explicitly restricts Presidential authority in areas not specified in the act. The ability to negotiate under fast track has in fact expired with the approval of the Uruguay round of 1994, and we find ourselves now with great urgency having to deal with this procedural issue.

I think we need to understand, Mr. President, that we go forward or backward on trade. There is no such thing as the status quo. We live in a nation that historically has had very few restrictions on the import of products into our Nation. Most of the trade barriers that need to be dealt with in this world are barriers to the export of our goods abroad. If the United States does not lead on trade, the harsh reality is that others will displace our role with arrangements of their own that may very likely be harmful to the American economy, to American workers, to American jobs, and certainly to American agriculture.

Even in this hemisphere there are others who seek to displace the American leadership role. The European Union currently is attempting to negotiate trade agreements with leading South American nations by 1990, claiming that their future is with Europe rather than with the United States. Other bilateral, other regional arrangements are in the process of being negotiated. All of this goes forward with the United States on the sideline unless we extend this authority to the President because it is only by being engaged in international trade that we can expect to lead toward not only our economic prosperity but democracy, security, and improvement of the environment, dealing with drugs, dealing with terrorism, dealing with weapons of mass destruction.

The United States cannot be a leader for human rights but neglect its role on trade. I think it is important for the Members of this body to recognize that what we have before us is not a referendum on NAFTA. It is not a referendum on any previous trade agreement. It is, in fact, an acknowledgement that we live, however, in an interglobal economy, that we live in that reality, and that reality requires us to become involved in engagement and in a leadership role. Cowering behind walls of fear about trade does a disservice to us all, including workers, the environment and human rights.

The United States represents only 4 percent of the world's population but 21 percent of the world's gross domestic product. It ought to be obvious to us all how critically important trade is to the United States.

In my home State of South Dakota, 1 of every 3 acres of land throughout the State planted to crops is in effect planted for the export market. We simply cannot allow other nations to forge regional and bilateral trade arrangements without the United States even being at the table. And that is the question, that is the fundamental question before this Senate: will we bring the United States to the table to be a player, to be a leader, or will the United States cower on the sidelines and allow other nations to go forward with arrangements that may or may not be beneficial to American workers and the American economy?

Fast track is not about a particular trade agreement. It is not about politics, although there are, admittedly, some in the other body who would tie this agreement to collateral, unrelated issues involving international family planning or even antipublic school agendas, and so on. Hopefully, this will not be brought down by those kinds of

irrelevant side issues. We should not be involved in ideology. What in fact we have here is an issue that is about jobs, about economic growth, about world competitiveness.

Other nations simply will not put forth their best offers at the table with our trade representatives if they know they will then have to renegotiate the entire matter with coalitions of Members of Congress and unending domestic political turmoil in our own Nation.

Trade is critically important to my own State of South Dakota. Its export trade has increased from $700 million to $1.2 billion in the past 5 years. Demand continues to grow. But, in fact, so does competition from suppliers, and the need for fair trade and fair access continues to be great. I am pleased with the administration's agricultural initiatives. I am pleased with their support for S. 219, of which I am a cosponsor, the Value Added Agricultural Products Market Access Act of 1997, which would allow for the U.S. Trade Representative on a annual basis to identify nations that deny market access for value added U.S. agricultural products or that apply standards for import from the United States not related to protecting human, animal, or plant life or health and not based on science.

Our red meat exports are now at a record level of $2.4 billion. I am pleased that the administration has directed the Secretary of Agriculture to improve the availability of livestock import data, and the Secretary of Agriculture, in cooperation with the livestock industry, to work on guidelines for voluntary labeling of meat and meat food products.

Agricultural exports nationally have grown 50 percent from 1990 to 1996, from $40 billion to a now record $60 billion. And in the current environment where we no longer have a farm price support system in place, it is all the more important that every possible tool be brought to bear to expand farm income, farm prices, and the competitiveness of one of America's great economic sectors.

I am pleased that agriculture will, in fact, be an explicit goal of the President's negotiating authority.

So again, Mr. President, this is not a referendum on past trade agreements, but it is a referendum on whether the United States will continue to be a leader or even a participant in international trade or whether we will succumb to fear, whether we will in fact enter the 21st century in retreat rather than as the global leader in economic issues, which this Nation deserves and which this Nation needs.

I yield back my time to the distinguished chairman.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, as we debate whether to proceed to the consideration of S. 1269, and on the larger question whether to provide the administration with fast-track authority, we have heard a number of arguments for and against this issue. As the debate continues, I suppose we will hear some things repeated over and over from different colleagues. I don't know a Senator, though—I think I can honestly say I don't know a Senator in this body who does not want to do what is best for American workers, American families, American farmers, American consumers, and the Nation at large.

I think most of us, certainly me, certainly Senator DORGAN, believe that we are protrade. We believe that international trade is important. We know that we would like to see a time when there are very few barriers, very few tariffs, very few quotas—if any. I know, as many of my colleagues do, that if we had no barriers whatsoever, American manufacturers, farmers, producers could compete with anyone and in fact win in that competition on a level playing field. It seems ironic to me that we will go through this effort on legislation that, if it ultimately does pass both the House and Senate, will limit the deliberative and representative processes that are now at the heart of the legislative branch of Government.

Essentially, fast track provides the administration with the assurance that any trade agreement it negotiates will come to Congress as a privileged piece of legislation. That means Congress must consider a trade agreement within 90 days of when the administration formally submits it to this body. In addition, there will be no hearings, no markups. The enacting bill will go to the floors of both the House and the Senate where debate is limited to 20 hours and no amendments are allowed.

Mr. President, 20 hours of debate is not very long for an important issue such as international trade, when you consider there are 100 Senators whose States are heavily impacted by an extensive agreement, such as NAFTA was. It seems even more ludicrous to believe that the 20 hours of debate in the other body, the House, with 435 Members, would provide a fair hearing. That would come out to about 3 minutes per Member, as I understand it. Finally, after the debate is finished, the House and the Senate would only be able to vote ''yes'' or ''no'' on the entire agreement. For such an agreement, such as NAFTA, that translates into a vote on a document of about 1,000 pages long with no public input whatsoever.

Fast-track authority is truly a unique procedure. If this authority is granted to the administration, Congress is essentially giving the President powers that I believe are supposed to be reserved for this body in our Constitution. First, it allows the President to control the agenda and determine when trade agreements are considered. More important, and second, it gives the President the authority to actually write the legislation upon which Congress will act. Added on top of this is the fact that I, as just one Member of the Senate, would not be allowed to offer any amendments on the final enacting bill, whether I liked it or disliked it. I am sure many of our colleagues have not yet decided how they will vote, and I certainly can count as well as anybody, and I think probably the tide might be going against us. But I for one do not believe we were elected to be rubber stamps for the administration, and on fast track that simply reduces this body to rubberstamp status.

Article I, section 8, of the Constitution of the United States of America provides Congress with the authority to regulate commerce with foreign nations. The Constitution also gives the President the authority to negotiate with foreign countries. So let's not be misled when people say the President needs fast-track authority in order to negotiate. He can do that at any time. This is simply not true. Fast-track authority gives the President additional powers which our Founding Fathers had reserved solely for the Congress.

I don't believe most of us are isolationists. I believe in free trade. In fact, in this day and age I think we all understand and agree that free trade is an important direction to go. But, quite frankly, I think many us do not support these pell-mell rushes to judgment. We get tired of the old argument that anyone who opposes fast track must be a protectionist and that the opponents of fast track are trying to hinder free trade.

I have to tell you, if it got right down to who we are supposed to protect, whether it's the CEO's of multinational corporations or foreign-owned corporations or American corporations and American jobs, I would have to plead guilty that I prefer to protect our jobs and our corporations and our country. But these kinds of claims sound like something from a tabloid, designed to stir the emotions of the American public.

I think, more important, when we talk about free trade we also have to link it to what is fair. We often hear that bandied around—fair trade. Like many of my colleagues, I am sorely disappointed in some of our past trade agreements that this country has entered into because I don't think they were, basically, fair to us. Before we continue to offer this extraordinary power to the administration, I think Congress has a responsibility to review past policies. Senator DORGAN has done a marvelous job. I think he has done it very well, pointing out the trade deficit, as an example. With every trade agreement we have made under fast track in the past, the trade deficit has actually gone up for America and not down. We got the worst end of every single agreement that was negotiated under fast track.

For those who argue that if we fail to grant fast-track authority to the President, other countries will refuse to negotiate with the United States and the United States won't even be allowed to

sit at the negotiating table, that is absolutely ludicrous. This is the largest economy in the world. There will always be a place at the table for any international agreements.

Let's consider that fast track has been used only five times. Yet without it, the Clinton administration, as an example, has successfully negotiated 198 agreements. I think that speaks for itself whether fast track is needed. We are an economic powerhouse. The world knows that. It is in the best interests of other countries throughout the world to negotiate with us. That is evidenced by the 198 agreements that our trade representatives are so proud of that did not need fast track. So we really ought to do away with these scare tactics that are kind of designed to stampede us like sheep to voting for something in the last waning days of Congress without giving it a slow, deliberative understanding of what we are going to do and what we are going to put in place.

Supporters say we need the agreements so we don't get bogged down in Congress and load it with amendments. I understand this is a slow process, and we are often accused of taking too much time. We often do add many things to the amendments. But I think most of those amendments are done in good faith. But if we are sent here to try to deal with good, fair trade agreements, I don't think there is a big problem. I don't think we should have to worry about it that much without fast track. The bottom line is we are here to represent this Nation and our own constituents from the States from which we were elected.

I know my constituents did not vote for me to send me here to this great institution to give away their voice, to not let them be involved in it. I think most Senators feel the same way. We didn't get elected to represent Mexico or Chile or Japan or some other country. We got elected primarily to represent this Nation and our own States.

I realize that this debate over granting fast-track authority to the administration is not to be a critique of NAFTA. But if fast track has been used only five times, then we have no choice but to bring up NAFTA if we are going to consider the merits of fast track. Just about 4 years ago, Congress passed NAFTA implementing legislation, and that was an over-1,000-page document. It was hailed as a major achievement that would create jobs and not cost jobs in America. I concede that NAFTA has benefited several segments of our society. There is no question about that. But I think, looking at it in toto, it has cost more than it has gained.

Jobs is the perfect example. In October, 1993, I sent a letter with several other Senators to the U.S. Trade Representative, Mickey Kantor, in which I asked about the potential loss of jobs and what the administration planned to do about displaced workers.

In his response to me in November, 1993, Mr. Kantor replied that ''NAFTA would account for no more than 400,000 jobs lost over 15 years.'' I quote that directly from his letter. Perhaps those 400,000 jobs aren't important to some people—unless it's your job or unless it's the breadwinner of your household. Then it becomes very important.

While I heard a whole number of figures on the number of jobs created by NAFTA used as evidence of NAFTA's success, many of those figures seem to discuss jobs that have been created basically as a result of increased U.S. growth that would have happened with or without NAFTA. Many of them dealt with the service industry jobs, too, but not hard, well-paying manufacturing jobs. I know that we need to increase our exports, and I think that we are trying to do that. We need to look at that in balance, about our imports, too.

The Economic Policy Institute did just that. According to the Institute's recently released study, 394,835 jobs have been lost as a result of NAFTA. That was a net loss of jobs. I don't hardly consider that a success in our negotiating deals with foreign countries. I believe we simply cannot have a strong nation if we do not have a strong manufacturing base. Those jobs that left primarily were manufacturing jobs. If, Heaven forbid, we should get into some major international conflict, there is simply no way we are going to field strong military might from America if we have to import all of our parts for our apparatus from foreign countries.

In effect, we might ask the question: Did it help workers anywhere? In my opinion it certainly didn't help the workers in Mexico under the NAFTA that we did pass. The maquiladora factories that sprang up overnight across the border are still paying poor wages, a dollar an hour or less in most jobs. Many of the workers live in substandard housing. Their children drink contaminated water. There is still a high incidence of sickness among those children. So it didn't help workers on our side of the border, and it didn't help workers on the other side of the border either.

The problem is, we are coming close, now, to our targeted adjournment date, perhaps this Friday. And to meet that date, we may be forced to consider fast track within a more limited amount of time than we should to be dealing with this issue.

But I think Senators will do the right thing. They will do what they can. Those of us who disagree with it, as he does, certainly commend Senator DORGAN for the leadership role he has taken. I believe it is time America stopped being referred to around the world as ''Uncle Sucker'' and return to that status that we had at one time being Uncle Sam, a nation of proud workers, manufacturing good-quality material for the rest of the world.

I yield the remainder of my time.

Several Senators addressed the Chair.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent for 2 minutes to introduce a bill as in morning business at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of S. 1373 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, the time, I understand, is winding down until 5 o'clock when we have a vote this afternoon on the motion to proceed. I wanted to take just a few minutes to comment on some of the things that we have heard in the last couple of hours. I believe Senator HOLLINGS is on his way to the floor. He will be taking some time. We have several other speakers on this side. But I would like to take a moment to respond to a couple of the things that we have heard.

First of all, I feel this is a good debate. It is about time we had this debate in this Chamber. Many of us have wanted to have a discussion about trade and trade issues for some long while. But the opportunity to do that has been limited. Now that fast track has been brought to the floor of the Senate is a very good and useful opportunity for that debate.

A speaker a couple of hours ago came to the floor of the Senate and said the problem that he has on this issue is the American people don't understand trade. It occurs to me that the American people understand trade. They well understand the trade issue. It occurs to me that some of the people here in Washington, DC—yes, maybe even in Congress—don't understand trade.

When the American people see a trade strategy that results in 21 straight years of trade deficits, getting worse year after year, setting new records year after year, I think the American people understand that there is a problem. That is just lost, apparently, on some Members of this Chamber, and perhaps some administrations who are engaged in trade policies that are not working.

So I think it is not accurate to suggest that the American people don't understand trade. Oh, they understand it all right. They understand it when they see factories close and move to Mexico or move to Indonesia or move to Sri Lanka. They understand it when they see their jobs leaving. They understand it when they can't compete with products that are produced at 12-cents-an-hour labor or without the requirement to clean up their emissions or without the requirement to have a safe workplace. The American people understand that. And, that is precisely what drives a lot of this discussion.

We are told there are 50 chief executive officers of major corporations on

Capitol Hill today lobbying and discussing with Members of Congress why fast track is important. The point I would like to make is that there is not necessarily a parallel interest between our country's interest and the interests of the American people and these 50 CEO's who have an interest in maximizing profits for their stockholders.

It is likely, in fact, it is certain, that in a number of board rooms and executive offices in this country that the chief executive officers must evaluate where can they produce more cheaply. Each of these CEO's is asking, ''Where can I move my manufacturing jobs? Where can I and how can I shut my factory here and move the jobs overseas in order to access cheaper labor, in order to escape the requirements of air pollution and water pollution laws, or in order to escape OSHA and the requirements of a safe workplace? Where can I do that, without giving much thought as to whether it benefits the American economy, but in order to maximize my corporate profits?''

That would be the interest, it seems to me, of most CEO's: the return to the shareholder and the maximization of corporate profits. That is not necessarily parallel with the interests of our country. It might well be that the parochial interests of a corporation to move its production facilities to Indonesia or to move its production facilities to Thailand or Sri Lanka is in the company's best interest, but certainly not in our country's best interest.

So we will, I assume, hear from CEO's today with many of them on Capitol Hill helping President Clinton push for fast-track trade authority.

The point I make is that their interest is not necessarily parallel to the interests of this country. I am not saying they are un-American. I am just saying they have an interest in disconnecting from American manufacturing where they can maximize profits by moving their manufacturing elsewhere, and that is not necessarily in this country's interest.

A statement earlier this morning brought a smile to me. It was a statement by one of the speakers who said, ''What we have here are two sides: One believes in free trade.'' It is like ''We are on that side,'' they say, ''and we believe in free trade, motherhood and tourism. So we are good guys.''

You can't wear hats in the Senate or whomever said that would certainly have put on a huge white hat. It undoubtedly would be a very large white hat. Then he would have thrown dark hats somewhere to the other side of the Senate, because this speaker said that you believe in free trade and expanded American economic opportunity, or you believe in going to a kind of North Korea, building a wall around your country and then going to hide under a rock. That was the example.

That is, obviously, the first argument one hears in a debate about trade by someone who wants to describe the opponents as being unworthy and possessing arguments totally without merit: ''We are for free trade; you're a North Korea kind of person, you want to put up a wall and go hide under a rock.''

The fact is, no one that I have heard speak is talking about putting up walls around our country. I voted against fast track previously. I believe in expanded trade. I don't believe in putting up walls. I believe our economic health is tied to our ability to expand economic opportunity through trade. I just happen to believe our current trade strategy doesn't do that nearly as effectively as we could if we as a country had a little bit of nerve and some will to say to our trading partners, ''You have a responsibility to us, and that responsibility is to open your market to American producers.''

The Washington Post editorial is not a surprise, obviously. The Washington Post has been blowing a trumpet for this trade strategy all the way up the trade deficit chart, year after year, as bigger deficits grew. Year after year, the Post has given merits to this failed trade strategy. The Washington Post says the following about the position of those of us who have opposed fast track:

> To a large extent, this is simply putting new clothes on old-fashioned protectionism, but fast-track opponents also make an argument geared to the changing conditions of a globalizing economy in which companies are freer than ever to locate across borders, and so workers find themselves more than ever competing across borders.

I always find it interesting that there is no journalist I am aware of—certainly no politician—but no journalist who ever lost their job because of a bad trade agreement. But they sure do give us a great deal of advice on trade, and for that we are very thankful.

There is one song, one note that comes from the Washington Post. It is that you are either for the current trade strategy and, therefore, fast track, or you are a protectionist. The Washington Post, in my judgment, in its editorial, errs by suggesting that those who don't support the current trade strategy are protectionists.

Is it being a protectionist to decide that a trade strategy that results in the largest trade deficits in history year after year isn't working? Is it protectionist to be concerned about a trade strategy that results in an increasing, a mushrooming trade deficit with China, ratcheting up now we expect it close to $50 billion, or a trade strategy that results in mushrooming trade deficits with Japan this year, expected to reach $60 billion this year? Incidentally, that means that every year as far as the eye can see, backward and forward, we can talk about a trade imbalance with Japan of $45 billion, $55 billion or $65 billion a year. Is it really the case that those of us who believe that this does not serve our country's interest are protectionists? Or could it be possible that those of us who believe that trade deficits hurt our country and trade deficits detract from our economic opportunity are those who are supporting change, positive change that would help this country and assist this country in improving its economic future?

I don't expect that those in this town who have only one note to sound on trade will ever concede the point. It seems to me that they think the proof is in the economy. We have a decent economy in this country. I don't deny that. Unemployment is down some. Inflation is way down. Deficits are down, way down. There is no question that the American economy has improved.

But, I would make this point. You can live in a neighborhood and see a neighbor who looks wonderfully prosperous, not understanding that all of those cars in the driveway, the house, the clothes, the jewelry are all on a credit card or some mortgage instrument somewhere and that person, while looking very prosperous, is not far from real trouble.

The point I have made repeatedly is these ballooning trade deficits, the largest in our country's history, are troublesome. You don't hear one word on the Senate floor about them.

I heard a presentation today I thought was a good presentation in favor of fast track. I thought it was well-constructed, well-delivered and persuasive. But, there was not one word about the trade deficit, not one word about the imbalance in our trade relations with our trading partners, with China, with Japan, with Mexico, with Canada. Not one word. Why? Because they only talk about one side of the issue.

Can you imagine a business that says, ''I want you to evaluate me, and here is how I want you to evaluate me. I want you to evaluate me based on my revenues, and I will not tell you about my expenditures because that is irrelevant. Just look at my revenues. Aren't I healthy? Aren't I doing well?''

You could probably conclude that if you only look at the revenue side. But what if you look at the expenditure side and see they far exceed revenues? Would you then not conclude that the business is running toward trouble? I would think so. That is exactly what happens on this issue of international trade on the floor of the Senate. They talk about exports and ignore imports.

I heard a description of how many additional automobiles we send to Mexico. What a wonderful opportunity, we are told, to send automobiles to Mexico under the United States-Mexican free-trade agreement. They say, ''Did you know that we have gotten more cars into Mexico?'' Yet the number of cars coming from Mexico into this country dwarfed that export number by so much you can hardly describe it. We now import more cars from Mexico into the United States of America than this country exports to all the rest of the world.

Let me say that again because it is important. We now, after NAFTA, import more automobiles manufactured

in Mexico than we export to the entire rest of the world. How can anyone brag about NAFTA producing an accelerated opportunity for us to send cars to Mexico when, in fact, that quantity is totally dwarfed by the number of new automobiles now manufactured in Mexico that used to be manufactured in this country, and are shipped from there to here?

Despite the attempts of some to portray it as such, the question is not whether we are involved in international trade. It is how we are involved in international trade. Will this country continue to countenance a system in which we accept less than fair treatment from our trading partners?

Another person on the Senate floor within the last hour said the following: ''If we are not involved through fast track in trade negotiations, there will be trade agreements going on around the world and we won't be a part of them.''

I would like one person in the U.S. Senate to describe to me a substitute for the American economy, the American marketplace. Is there another place on Earth? Spin the globe, look at all of them. Look at every country, every city. Is there another place on the globe that has the power and the potential of this marketplace? The answer clearly is no.

Do you really believe that if we defeat fast track that those countries that desire to access the American marketplace are going to say, ''Well, all right, if we can't access the American marketplace, we choose Kenya.''

''OK, if we can't access the American marketplace, now we're going to set our sights on Nairobi.''

''We are going to set up an office in Kinshasa; that is our future.''

Does anybody really believe that? There is no substitute for the American marketplace. Why is it that we are the country that must be dangled on the end of a string? Why is it that those of us who stand up and say it is time for us to demand and require fair trade with respect to China, fair trade with respect to Japan, and, yes, with Mexico and Canada and others—why is it that we are subject to being called protectionists? Is it because the interests of the international economic empires now are to construct a trade regime in which you have no economic nationalism? Is it because if you exert some sort of economic nationalism, you are a protectionist?

They construct a trade regime in which they proscribe for our country a circumstance where they want to produce elsewhere and sell here. Why? Profits. Is that wrong? No, it is not wrong from their standpoint, but is it always in our country's interest to say what is in the corporate interest is in the American interest? Not necessarily.

There are circumstances where we should say that it is not fair competition for those businesses that stayed here in America. They didn't move anywhere. They stayed here. And they produce here. It is not fair for them to have to compete in circumstances where they cannot get their product into a foreign country because that market is closed to us, but the foreign country can get its product into our market to compete with that business that stayed here. By the way, that producer in the foreign country can produce that garage door opener, that bicycle, or those shoes, paying 12 cents an hour, and put them on the store shelves of America and drive the American businesses out of business.

One of the Senators earlier said, ''Well, if that is the way it is, that is tough luck. Let them hang on the walls of Wal-Mart. That is what America is all about. Let them hang the cheaper product there, and it's good for the consumer to be able to access a cheaper product.''

I ask, how is that consumer going to pay for that cheaper product without good jobs? And where are the good jobs in this country going to be unless this country demands on behalf of its business and its employees, its workers, that when we trade, our agreement to trade with other countries and our desire to trade with other countries be constructed on a set of rules that are fair. We need a set of rules that says, no, not that you are to mirror exactly what we do in all of these areas, but a set of rules that would say to those countries, ''There's an obligation that you have in your trade relationship with our country. And that obligation is to have fairness and access to marketplaces. If our market is open to you, your market must be open to us.''

If we don't have the nerve and the will to do that, what on Earth will our future be?

If I read these articles—one printed recently by one of the major newspapers by a fellow who is describing the trade deficit. He said, ''Trade deficit. What does that matter? I have talked to economists. It doesn't matter. Let me explain what a trade deficit is.'' He said, ''That's like somebody saying to you, 'I will trade you $10,000 worth of pears for your $5,000 worth of apples.' ''

That uninteresting and irrelevant example in this article, describing why the trade deficit is just fine, I guess, represents a view in this town that as long as you are trading more, it does not matter. Its a view that as long as you are exporting more, it doesn't matter if your imports increase fiftyfold, and that somehow we are better off as result.

At the end of the day, you are better off when this country has retained a strong manufacturing base and has required, through the exertion of some nerve and some will to say to its trading partners, ''You have a responsibility to the United States of America. And that responsibility is to treat us fairly in international trade. And this country will not sit around and will no longer take any closed markets to our products when our markets are open to your products.''

Mr. SARBANES. Will the Senator yield?

Mr. DORGAN. I will be happy to.

Mr. SARBANES. The Senator from North Dakota is making an extremely important point. The assumption is trade, by definition, is good; but the focus is all on exports and not on the balance of trade.

This is what has happened to our trade balance since 1975. You can see this incredible deterioration that has taken place. We are running negative trade deficits year in and year out. And the consequence of doing this, I say to my distinguished colleague, is this is what has happened to the American net foreign investment position.

The United States, in 1980, was a creditor nation to the tune of about $400 billion. In other words, we had claims on others. We were a creditor nation. And now that has deteriorated so that the United States now, when we add in what the trade imbalance will be this year, will be about a $1 trillion debtor nation. We have gone from being the world's largest creditor nation to being the world's largest debtor nation. And then everyone comes along and says, ''Well, no one wants to focus on this issue. No one wants to pay any attention to it.''

I mean, the Senator from North Dakota has been absolutely right. He said, ''Look, there are two sides to this thing. There are your exports and there are your imports.'' Yes, we are getting additional exports, but we are getting far more imports.

As we get these imports, and we get this deterioration in our trade balance—look at that. Since World War II, we have been running a positive trade balance, modest but positive, year in and year out. And this is the deterioration that has taken place in it over the last 20 years.

And, of course, each year we run these large trade deficits —$100 billion, $150 billion, $120 billion trade deficits year after year after year. It is offset somewhat by the service, but not enough. I mean, the net is reflected in this chart, which is not quite as bad as the previous level but still shows us year after year showing these deficits.

The consequence of that—these amount to about $1.5 trillion over that period of time. We have been running a trade balance deficit since 1975 of $1.5 trillion. And the consequence of doing that is that our net asset position is absolutely deteriorating.

Look at this chart. This is what has happened. This is the U.S. net foreign investment position. In 1980, before we got this tremendous decline, we were a creditor nation, the world's largest creditor nation; in other words, others owed us. And now we are the world's largest debtor nation. And by the end of this year, it will be to the tune of $1 trillion—$1 trillion.

Now, you cannot go on doing this indefinitely. You can do it for a period of time, but you cannot do it indefinitely. In any event, the whole time you are

doing it, we are taking on an increase in volume of foreign indebtedness through these large and persistent trade deficits—the losses sustained every year by buying more goods from others than they are buying from us.

And we are undercutting the Nation's capacity for mass consumption by declining wages and loss of high-income employment. As the Senator from North Dakota said, they said, ''Well, your consumers can buy cheaper products.'' But then the question is, ''Well, suppose they're not working? Suppose they've been thrown out of a job by these importations?'' They can't buy anything. They can't buy anything.

Mr. DORGAN. If the Senator from Maryland would just yield. I guess I have the floor. I am yielding to the Senator from Maryland.

Let me understand what you are saying. I held up the Washington Post and I cited the discussion on the floor of the Senate. The Senator from Maryland now comes to us and says, ''You know, we've got these huge deficits,'' and all these other folks say, ''Gee, we're moving in the right direction. What we need to do is more of what we've been doing.'' Did the Senator graduate in the bottom of his high school class? Is he a protectionist? Is that all this means? Or does the Senator from Maryland understand what the rest of these folks don't, that deficits in the long term have to be repaid?

Mr. SARBANES. That is right. We are not driving the right trade bargains. Something is wrong with a trade policy that gives you this deterioration in your net foreign investment position. Something is wrong with a trade policy that takes the United States, in less than 20 years, from being the largest creditor nation in the world, in other words, people owe us, and in 20 years makes the United States the largest debtor nation in the world. Something is wrong.

The Senator is absolutely right to focus on it. Everyone says, ''Well, we succeeded in selling $3 billion worth of airplanes to China on this visit that they had.'' Our trade imbalance with China is over $40 billion and increasing all the time. It is increasing all the time. It may soon surpass the trade deficit with Japan. The consequence is that we are selling to them far less—far, far, far less—than they are selling to us.

Mr. DORGAN. On the question of Chinese airplanes—which is an interesting departure point—the Chinese are going to need 2,000 airplanes. They bought a few from us, but the fact is they have been buying from Europe as well, even as their trade surplus with us mushrooms way, way up.

What they have been saying to this country—I know some of the corporate folks won't like me to say this because they are all nervous about this—but the Chinese say, ''Yes, we'd like to consider buying some of your airplanes, but you must manufacture them in China.''

Mr. SARBANES. That is right.

Mr. DORGAN. This is a country that has a huge surplus with us. Instead of buying what they need that we produce here in this country with American jobs, they have been saying, ''Well, we'd like you to consider manufacturing that in China.''

That is not the way trade works.

Mr. SARBANES. ''Consider'' is not the right word. They do not say, ''We would like you to consider.'' The Washington Post ran an article just the other week, and here is the heading of the article: ''China Plays Rough. Invest and Transfer Technology or No Market Access.'' And that article then described how China forces U.S. companies to transfer jobs and technology as a price for getting export sales. So, in effect, what they say is, ''We won't take any of your exports if you don't give us the investment and the technology so we can then produce them ourselves.''

So what are our people doing? In order to get these short-run exports, they give away the capacity to maintain a long-run position. And the Chinese, in effect, extract that capacity out of them. So, yes, they make a short-run purchase, but at the same time they are getting the investment and technology so they do not have to make long-run—not only will they not make long-run purchases, but, mark my word, they will be exporting these products themselves elsewhere in the world.

Not only will they, in effect, close our people out from getting into the Chinese market; they will become their competitors in other markets on the basis of the investment and the technology that our people transferred to China in order to get these short-term sales.

That is exactly what is going to happen. And the consequence of that is our trade position will continue to deteriorate, and we will go on to become an even bigger debtor nation.

Mr. HOLLINGS. Will the Senator yield?

Mr. SARBANES. Certainly.

Mr. HOLLINGS. I really appreciate the distinguished Senator bringing the issue into sharp, sharp focus. It so happens that I had been looking at the Investor's Business Daily. Just reading a sentence:

> The surge in imports prompted economists to revise down their first-quarter growth statistics.

And, again, just here in Business Week, dated November 3, on page 32:

> Because of the widening in the August trade deficit for goods and services to $10.4 billion, from $10 billion in July, trade is likely to have subtracted a full percentage point from overall demand growth.

The distinguished Senator has chaired the Joint Economic Committee for years and understands this. That is why we are losing our own growth. We are trying to invest, trying to bring about economic growth, but not looking at the import side, as the distinguished Senator has so clearly brought to the attention of all the colleagues here, that we actually should be growing much faster, and saving, excepting these cancerous deficits in the balance of trade.

I really appreciate the Senator from Maryland, and I apologize for interrupting, but I hope he will continue.

Mr. SARBANES. The Senator is absolutely on point.

Just let me read you two quotes from two very able authors. One is Benjamin Friedman, who is a professor of economics at Harvard, and his book called ''Day of Reckoning.''

I again want to go back and emphasize the fact that we have gone from being the world's largest creditor nation to now being the world's largest debtor nation. This is the deterioration that has taken place in the U.S. net foreign investment position.

This is what Professor Friedman says about that:

> World power and influence have historically accrued to creditor countries. It is not coincidental that America emerged as a world power simultaneously with our transition from a debtor nation, dependent on foreign capital for our initial industrialization, to a creditor nation supplying investment capital to the rest of the world. But we are now a debtor again, and our future role in world affairs is in question. People simply do not regard their workers, their tenants and their debtors in the same light as their employers, their landlords and their creditors. Over time, the respect and even deference that America has earned as world banker will gradually shift to the new creditor countries that are able to supply resources where we cannot, and America's influence over nations and events will ebb.

That is the big issue that is behind all of this. That is the issue we really ought to be debating. The whole direction in which—everyone comes out here and says—you know, I listened to the President yesterday. He said, ''We've got trade.'' I will not quarrel with that. ''I'm trying to negotiate good trade agreements with other countries.'' But look what is happening to us. We have had this incredible deterioration in our trade balance and this represents $1.5 trillion dollars of deficits over the last 20 years. This is what has happened to our net foreign investment position.

This is a devastating chart when you think about what it has done to the United States. William Wolman, chief economist at Business Week, had this to say, and it ties right in with the Senator's comments about economic growth, ''The Implication of Debtor State for U.S. Economic Growth.''

> The transformation of the United States from a major international creditor to an international debtor has major implications for future United States economic growth. It is no accident that back in the 1950's and 1960s when the United States was a creditor nation interest rates were lower here than they were abroad and the dollar was a strong currency. But since the United States has become a debtor nation U.S. interest rates are higher than those in the other industrial countries, and the dollar, despite its revival in 1996, has become a weak currency. The effect is, of course, to squeeze the average

American standard of living both because Americans are forced to pay high real interest rates for what they borrow and because a weak dollar means that America must produce and export more goods to earn foreign currencies than it had to when the dollar was a stronger currency. Debtor status has the same effect on a country as on citizens of that country. What is in effect the disposable income of the United States is under downward pressure, just as surely as the disposable income of its highly indebted citizens.

You can't get people to focus on this. Trade has two sides to it: What you export and what you import. If you import more than you export, you will be running trade deficits. If you are running trade deficits, that means people abroad are accumulating claims against us that we have to pay off over time. So we have now gone from being a creditor country to being the world's largest debtor country. We continue to be a world power but how long can you sustain that position? It is not as though we have stopped the hemorrhaging.

If we run a $125 billion trade deficit, our net position will deteriorate another $125 billion. This line will continue to go down as long as we are running a negative trade debt. Suppose we cut it in half, suppose we reduce it from $120 billion to $60 billion, which would be a terrific accomplishment. Say you do that in a year's time, you reduce it from $120 billion to $60 billion, the net position deteriorates another $60 billion, another $60 billion. The next year you cut it to $30 billion, it deteriorates another $30 billion. We are getting ourselves deeper and deeper into the hole. We can't get anyone to focus on this.

The distinguished Senator from North Dakota I think has brought our attention back to an exceedingly important point, and I thank him very much for yielding to me to make these points.

Mr. DORGAN. I appreciate very much the comments of the Senator from Maryland. As always, he is on point. I chided him a bit about his position in his high school class, but I suspect he was right at the top.

I yield 15 minutes to the Senator from South Carolina.

Mr. HOLLINGS. I thank our distinguished colleague for continuing along with the very thought that the Senator from Maryland provokes here which is so important to this particular debate, the fact that we should realize the arithmetic of import jobs as well as export jobs. The cumulative sum total, that 1975, 22 years, is right at $1.90 trillion.

Now, they like to use 20,000 jobs created for every $1 billion in exports. The Department of Commerce changed that to 14,000 some 2 years ago and that has been their figure. Using the same figure—because I want to refer specifically here to the special study the Presidential Commission on the United States Pacific Trade and Investment Policy recently released its final report and it stated ''from 1979 to 1994, twice as many high-paying jobs in the United States economy were lost to imports as were gained from exports.''

Now, using the arithmetic of $1 billion equals 20,000 jobs, that would be some 38 million jobs that were lost over that time period, or using the lower figure of 14,000, it would be some 27 million lost jobs.

Yes, we can talk that the economy is up and going but you get right to the point of understanding why we have 2.8 percent unemployment in Greenville County but 14 percent unemployment in Williamsburg County, and the people back home understand this trade problem better than many on the floor of the national Congress. They continue to see 6,375 jobs leave. Levi Strauss fired one-third of their employees, 11 plants in 5 States making jeans. Where have they gone? They are going offshore. They have been transferring them offshore, and after they let them go, they have to announce, as they do under the plants closing notice—they never announce it during the middle of the debate on the House side, but the lawyers had to comply with the plant closing notice. That is what is happening. We are getting Honda, I am getting BMW in South Carolina, I have Hoffmann-La Roche. I appreciate it and I am working hard, but I am looking at the basic jobs here paying $7 an hour. As I was pointing out with the Oneida plant they are closing in Andrews, and they have some 487 workers, the average age is 47 years old. Washington tells them, ''Retrain, retrain, retrain.'' Well, tomorrow morning, say we have 487 skilled computer operators. Are you going to hire the 47-year-old skilled computer operator or the 21-year-old? You are not taking on the health costs and the retirement costs for the 47-year-old, so this little rural town is high and dry.

They understand at home that we are losing out. We are making great gains, but all this downsizing and everything else like that has stagnated wages in our economy. In that sense, we are going out of business. We have been giving away the store. We have Senators running around here, ''If we are going to continue to lead''—we are not leading, my dear Senator. We are not leading in this thing.

I wish they would have adopted ADAM SMITH and free markets but they have adopted Friedrich List, that the strength of a nation is measured not by what it can consume but by what it can produce. We have to have the economic strength if we are to be a world leader. That is what we are losing. That is what is at stake. That is what is in the conversation here.

These colleagues that come and say the President can't get at the table—come on. He has been at the table in 200 agreements.

Mr. SARBANES. Will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. SARBANES. The Senator is absolutely right. When you talk about trade you have to talk about trade balance. Now, we ran a trade balance from the end of World War II until 1975. We were exporting a little more than we were importing. The imports that were coming in were causing dislocation in our economy, no question about it. But at the same time we were gaining a plus from the exports. In fact, there were a little more exports than there were imports.

What has happened, as the Senator from South Carolina points out, we are now importing far, far, far more than we are exporting. In fact, as he points out with respect to trade goods it has been an almost $2 trillion deficit since 1975. Everyone comes along and says, ''Look, we have a little more exports.'' Look at how many more imports we have. All of those imports are costing people jobs. So the displacement of jobs taking place by the increase in imports far, far, far exceeds the additional jobs gained from the expansion of exports.

That is what people have to understand and they are not understanding it. To the extent we run these trade deficits then we end up losing our position as a creditor nation.

This is a devastating chart, showing the United States in a creditor position in 1980, and look what has happened to us. We have come down just like this, and by the end of the year we will be at $1 trillion deficit debtor status. Debtor status, $1 trillion, the United States. In 1980, less than 20 years ago, we were in a creditor status to the tune of $400 billion. So there has been an almost $1.5 trillion deterioration in our international position in less than 20 years. It is the very thing the Senator from South Carolina is talking about.

Mr. HOLLINGS. And that is not leading. That is not leadership. You and I as Senators are concerned with the economic strength of the United States, with the work force and otherwise. We want to get back where we are leading.

The people should understand global competition, ''You ignorant Senators, you protectionists.'' They better understand when China orders $3 billion they order one-half for themselves and from countries like Japan that make the electronics. That Boeing 777, they make the tail section—they don't give you the order unless you put the manufacturing facility in country. I know, I had a GE turbine plant when I was Governor. Brazil told them they would not order those turbines unless, they put the plants down in Brazil. So the GE plant at Gadsden, SC, has closed down and gone to Brazil. We are speaking from actual experience.

It is not any fanciful conjuncture here about leading and not being at the table. Yesterday, Senator, right in the Committee of Commerce, we passed the shipbuilding agreement, the OECD shipbuilding agreement that has been negotiated with some 13 countries in Europe and in the Pacific, and we did that without fast track. We had an

international telecommunications treaty earlier this year, with 123 countries, without fast track.

What we are trying to do is get them to have a chance to stop, look, listen, debate the things like we did with the most important arms treaty, SALT I, and the intermediate missile treaty. All of those were without fast track but they act as if our poor President is not allowed to come to the table. He is at the table. We want him at the table. But we just want to have a chance to look and see before we vote.

Mr. SARBANES. Will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. SARBANES. The American market is still the most lucrative market in the world. They want access into the American market.

I cannot accept for a moment in these bilateral dealings, countries won't negotiate a trade agreement with the President which could then be submitted to the Congress for the Congress to consider, to amend if it deemed it advisable, and to vote on. We have done that consistently, as the Senator pointed out, including the telecommunications agreement, a very complicated measure. We do it in arms control agreements. They are open to amendment and are a far more serious matter than a trade agreement.

I want to say one other thing to the Senator because he talked about the Chinese getting the investment and the plants in their own country, and he uses the example that occurred in Brazil. The Chinese don't make any bones about it. They don't like to conceal it. The Washington Post had an article last week, and here is the heading to the article, ''China Plays Rough: Invest and Transfer Technology or No Market Access.'' Invest and transfer technology or no market access.

The article went on to describe how China forces United States companies to transfer jobs and technology as a price for getting exports sales. They say, ''We will take the exports but you have to give us the investment and the technology,'' and that means in the future they won't take other exports because they won't need them. They will have the investment and the technology to produce the goods themselves, and I predict not only will they do it for themselves they will then be producing and selling them internationally, and they will go from being an importer of American high-technology products to being an exporter themselves of high-technology products from the investment technology that we are compelled to give to them.

Mr. HOLLINGS. You go right to the point.

In Shanghai, General Motors agreed not only to build a plant there in order to produce and sell cars in the People's Republic of China, but more particularly, to design the most modern computer equipment that is going to Shanghai, as we speak, to design the automobiles. They have taken it out of Detroit and are putting it into downtown Shanghai so all our brain power and our wonderful technology is being exported like gangbusters, and they talk about us leading and the President can't get at the table.

Come on, they have to get with the program here and understand that as Senators and Congressmen we have a responsibility with respect to this economy, and the work force that is the highest, most productive in the entire world. You can go over to the Bureau of Labor Statistics, economic section of the United Nations, and No. 1 for the last 20 years has been the United States, not Japan. Japan is down there at No. 6 or 7 now. So our workers have been the most productive. Who hasn't produced, Senator, is you and I up here. That is what I am trying to get over to our fellow Senators so they will understand the problem we are confronting.

Mr. DORGAN. I wonder if the Senator will yield for a moment.

Mr. HOLLINGS. Yes.

Mr. DORGAN. There is this blame America strategy that has been around for years that, if you can't compete, whatever the situations are, tough luck. That means in a free-trade circumstance, jobs might go elsewhere, but consumers benefit by cheaper imports.

The interesting thing about this is, most of our large trading partners—especially, for example, Japan and China—are engaged in managed trade, not free trade. We, on the other hand, have always been a leader in what is called free trade.

I described yesterday watching two people dance at a wedding dance when I was a kid. He was dancing a waltz and she was dancing a two-step. It didn't work out well. They were dancing different dances. In international trade, what is happening to us is, we are confronting Japan, for example, with whom we have an abiding yearly massive trade deficit of $40 to $60 billion every year, as far as you can see back and as far as you can see forward. We have that kind of trade deficit. Why? Because Japan has a managed trade strategy, and that is the method by which they trade with us.

We, apparently, are perfectly content to say, ''Well, if that is the way it is, there is nothing we can do about that.'' But there is something we can do about that. We can provide a little real leadership, with a little nerve and will, and say to Japan that part of the price for this trade agreement and for their ability to access the American marketplace, a marketplace that has no substitute anywhere on this Earth, is to open their markets completely to American goods and not to do it tomorrow, or next month, or next year, or even the next biennium—do it now.

But this country doesn't have the nerve or the will to do that. In fact, it was left to some little maritime commission, finally, to raise this issue on a $5 million fine and say, ''That is fine. If you want to play that game and you won't pay your fines, then you can't dock your ship in this country.'' One little commission—an unelected commission—was the only body I know of that finally had the will and nerve to say that is not the way we do business here. Fair is fair. In trade, we demand and require fair trade and fair access.

So, the comments that both the Senator from Maryland and the Senator from South Carolina have made are right on point. The thing that baffles me is that those of us who desire to force open foreign markets, to reinforce open markets, and do more than just chant about free trade, but really seek to force open foreign markets and unlock the opportunities in this country for our producers and our workers, we are the ones that are called protectionists. What on Earth are they talking about?

Mr. HOLLINGS. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. HOLLINGS. I will never forget the second inauguration of Ronald Wilson Reagan. It was in the rotunda, and you and I were there, Senator. President Reagan said, ''I solemnly swear that I will faithfully execute the office of the President of the United States and will, to the best of my ability, preserve, protect, and defend the Constitution of the United States.''

We have the armies who protect us from enemies from without, and the FBI protects us from enemies within. We have Social Security to protect us from the ravages of old age. We have Medicare to protect us from ill health. We have clean air and clean water to protect our environment. We have safe working places and safe machinery.

Our fundamental duties here are to protect. Be invited, if you please, to the Council of Foreign Relations, run for President of the trilateral commission. They asked, ''Are you a protectionist, Senator?'' I had to say, ''Yes, the truth of it is, I believe that is my fundamental responsibility here.'' They say, ''If you are a protectionist, you are not enlightened, you can't see the world and understand competition.'' When you are losing your shirt, as the Senator from Maryland said—through 22 years of negative trade balances—all they want to talk about is the exports and not the negative side of the equation.

I cited on yesterday our experience with President Kennedy and the extreme action that he took when 10 percent of domestic consumption of textiles, clothing, was represented in imports, and he thought it was a crisis, and he put in his seven-point practice. Now two-thirds of the clothing within the sight of my debate here this afternoon is imported, 83 percent of the shoes, 53 percent of the ferroalloys, 59 percent of the cooking and kitchenware, 64 percent of the mineral processing machinery, 61.4 percent of the machine tools for metal forming, and 44.1 percent of nonmetal working machine

tools—you can go right on down the list. There is the majority of automatic data processing machines, diodes, electrical capacitors and resistors. That is at 70 percent right now. I remember having the capacitor plant of GE, and I have lost it now. It has gone overseas. You have 100 percent of tape recorders, tape players, VCR's, and CD players. You can go right on down. I remember that we could not engage in Desert Storm, the gulf war, unless we got the displays from Japan. That is why I had to put the ''buy America first'' provision for ball bearings in the defense bill. We are fighting a rear guard action so that we would be able to defend the country, much less be economically strong.

The NAFTA tent is being pitched on the front lawn of the White House, and the corporate jets are descending on National Airport offloading the Nation's top-paid CEO's to lobby for the administration's effort to renew fast-track trade authority. Of course it is no longer referred to as fast track. Instead the administration has offered a clumsy euphemism—normal trade authority—to obscure the fact that the sole purpose of fast-track is to stifle debate by subverting the Congress' constitutional obligation to regulate foreign commerce. Yet there is nothing normal about a $100 billion plus trade deficit, nothing normal about Congress abandoning its constitutional responsibilities, nothing normal about stagnant wages and an erosion of our manufacturing base.

The administration argues that they need fast-track authority because no one will negotiate with the United States unless they have fast track. A more likely scenario is that the administration would prefer that Congress not review a legacy of poor trade deals; eroding manufacturing strength and a trade policy that puts the interests of the multinational corporation before working-class Americans. While the administration embraces the Fortune 500's agenda, it has turned a cold shoulder to those who have been left behind by globalization, the working men and women of this country.

The end of the cold war has created a seismic shift in the global economy. The American worker has now been thrown into bare knuckle competition against the new entrants to the global economy: countries whose productive and motivated work force will accept much less than our workers. As globalization has increased world trade, the American worker has faced an all out assault on their wages, benefits, and overall standard of living.

Instead of engaging in a debate on the impact of this changed world, our trade policy remains a prisoner to a cold war mentality, treating trade as a stepchild to foreign policy, continuing to serve up unilateral concession after unilateral concession in the hope that our trading partners will be converted by the persuasiveness of our elegant economic models and focusing exclusively on export statistics, failing to consider the impact of imports or even the nature of the exports themselves.

Rather than facing this new era of fierce economic competition with the hard edge realism that places the national interest in our own hands, we will be relying on multilateral institutions like the WTO to protect our national interest. Now we will be asked to embark upon a course which is bound to produce asymmetrical market openings and in which the people, through their elected representatives, will be shut out.

The sad truth, however, is that it is impossible to have an honest debate about trade policy, the trade deficit, or the erosion of our manufacturing sector. Instead of focusing on the present and future, pictures of Smoot and Hawley will be dusted off and put on display. The proponents of fast track will unleash a barrage of hyperbolic rhetoric declaring an end to civilization as we know it if we fail to pass fast track.

NAFTA

If the proponents of fast track insist on engaging in a debate about the past, then let us examine how the rhetoric and the agreement has stood the test of time. During the NAFTA debate we were told that a failure to pass NAFTA would have a devastating consequences for the United States and Mexico. If NAFTA failed, Mexico's economy would collapse, drugs would flood across the border, immigration would increase, and dangerous leftists, who were denied the presidency thanks to massive electoral fraud, would replace Carlos Salinas, a man virtually canonized both by United States officials and by a synchophatic press blind to the endemic corruption that permeated his regime.

Three years later what has NAFTA wrought? The Mexican economy collapsed, wages fell by 40 percent, two million Mexicans sank further into poverty, and America's trade surplus with Mexico disappeared, replaced by a $15 billion annual deficit. United States factories accelerated a move to Mexico, not to supply a Mexican consumer market, which even the American Chamber of Commerce in Mexico concedes does not exist, but to ship products into the United States. Of our $54 billion in exports to Mexico in 1996, more than 50 percent were components sent to the mequiladora region alone. Those exports will never see the Mexican consumer market. Rather, the overwhelming majority, over 98 percent according to the Mexico Department of Commerce—[SECOFI] will return to the United States as finished products. Moreover, according to Cornell professor Kate Bromfenbremmer, United States employers continue to use the possibility of movement to Mexico as leverage to limit wage gains.

Meanwhile, the Asians and Europeans, the ones that were supposed to be the losers as a result of NAFTA, have maintained trade surpluses with Mexico. They poured money into building new factories in Mexico taking advantage of Mexico's cheap labor force and duty-free access to the United States market.

As for the political situation in Mexico, since NAFTA was passed Mexico has suffered a peasant rebellion, a wave of assassinations and kidnappings, and an explosion in drug trafficking and money laundering. Carlos Salinas, the American Enterprise Institute's Man of the Year, is living in exile while the popular leftist opposition leader Cuauhtemoc Cardenas is elected mayor of Mexico City and an anti-NAFTA opposition coalition took control of Mexico's Congress. Just Friday, Salinas' brother confessed to widespread corruption in the New York Times.

OTHER AGREEMENTS

It is not just the NAFTA claims that fail to stand the test of time, overstating the benefits of trade agreements is a time-honored tradition. When we ratified the Tokyo round of the GATT it was hailed as a significant achievement that would open markets and create millions of new jobs in manufacturing. In the end, the only market that opened was ours, and the results were disastrous. From the end of the Tokyo round to the Uruguay round we lost two million manufacturing jobs and posted over $1.5 trillion worth of trade deficits.

A generation later the Uruguay round has delivered the same disastrous results as the Tokyo round. Since passage of the WTO, we have recorded two of the largest trade deficits in our history. Last year alone, the United trade deficit in goods was $191 billion. In 1995 our deficit was $173 billion. If this trend continues this year, the 1997 trade deficit could exceed $200 billion.

Moreover, our trade deficits with the so-called big emerging markets [BEMs]—markets that this administration has targeted for future growth—are appalling. The big emerging markets include: Argentina, Mexico, Brazil, Poland, Turkey, China, South Korea, Taiwan, Hong Kong, Phillippines, Vietnam, Brunei, Malaysia, Thailand, Singapore, Indonesia, India, and South Africa. Since the completion of the Uruguay round, the trade deficits with these countries have exploded. In 1993, the United trade deficit with these countries was $43 billion. After being the subject of focus by the Clinton administration, the trade deficits with these countries had widened to $77 billion in 1996. Moreover, with the recent Asian currency devaluation these deficits are poised to explode.

The countries themselves recognize the value of devalued currency. On October 17, Taiwan devalued its currency not because it was under attack, not because the country's fiscal policies were unsound, but merely to remain competitive with the other Asian tigers as an exporter.

Multinational companies also recognize this. Cheap currency, along with cheap labor, encourage U.S.-based multinationals to locate new factories

abroad. The results are devastating for the American worker. The New York Times recently published a chart showing that the majority of GM's new component factories are outside the United States. Many of these facilities are located in Mexico. These factories won't supply the Mexican consumer market. Rather they will employ cheaper labor for imports into the United States.

At the same time that GM opened these new plants across the globe, its U.S. employment declined by over 25 percent. This decline did not occur during a devastating recession. Rather it occurred during a period of sustained growth. GM is not alone. In 1985, General Electric employed 243,000 Americans, by 1995 it employed only 150,000 and according to executive vice president Frank Doyle, ''We did a lot of violence to the expectations of the American work force.'' Another leading U.S. company IBM, now employs more people outside the United States than here in America and has shrunk to half its former size. Yet these are the companies that are lobbying for fast track. The same companies are asking for fast track are the ones that are cutting jobs. In fact our largest exporters have not created a net new job in the 1990's.

While our trade deficits continue their unabated rise, domestic wages stagnate, and job security vanishes, the administration and its corporate allies continue to tout export-led growth as if it were a wonder drug that will cure our economic ills. Unfortunately, the only wonder about export-led growth is how a handful of our largest companies account for 80 percent of our total exports. These are the same companies who have spent most of the 1990's downsizing their work forces and moving production off shore. This offshore shift is reflected in trade balance deficits as far as the eye can see. Is it any wonder that these companies are paying up to $100,000 a piece to push fast track. This small investment will enable them to save millions by taking advantage of an abundant supply of cheap labor. The real fast track is how quickly manufacturing jobs can be moved abroad.

So in this era of free trade, what kind of jobs are we creating? Are they the high-technology, high-wage jobs of the future? Not according to the Department of Labor. In cataloging the occupations with the greatest growth in the future, Labor believes that the following occupations offer the best opportunity for growth: cashiers; janitors and cleaners; retail salespeople; waiters and waitress; registered nurses; general managers and top executives; systems analysts; home health aids; guards; and nursing aids.

Only one high technology job on the list and no occupations related to exports. Moreover, a recent study suggested that our best paying jobs are the ones that are subject to the most competition from imports. That makes perfect sense. Manufacturing jobs pay better than service industry jobs. Is there any doubt that our trade policy should be designed to expand these opportunities?

II. LABOR AND ENVIRONMENT STANDARDS

During this limited fast-track debate, we have heard time and time again that it is inappropriate for the United States to dictate changes in other country's domestic laws. This argument is heard most frequently when labor and environment standards are suggested as appropriate topics for trade negotiations. In fact, Ambassador Barshefsky has stated, ''it is not realistic to suggest that countries will rewrite their domestic labor and environmental laws for the privilege of buying more of our goods.'' Yet apparently these countries, including the United States, have no trouble changing their domestic copyright and patent laws for just that purpose.

Moreover, the recent IMF bailout of Indonesia, like many IMF rescue packages, contained a number of provisions affecting domestic rules that have an economic impact, including banking laws, domestic corruption rules, and government spending decisions. In an example closer to home, the United States, in the United States-Japan framework negotiations, agreed to reduce its budget deficit, as part of that overarching trade agreement. In fact, that's what fast track is all about, changing domestic laws as a result of trade agreements.

In addition, U.S.T.R. recently concluded negotiations designed to harmonize drug and medical device standards and the administration is seeking authorization to begin the process of harmonizing transportation and automotive environmental standards. If it is acceptable to harmonize vehicle standards, what is wrong with harmonizing labor rules and industrial environmental standards?

The question then is not whether domestic laws can be changed as a result of trade negotiations, it is whether labor and environmental standards have an impact on trade, competitiveness, and the overall economic standing of the United States. To that question the answer is undoubtably yes. Permitting products made under substandard working conditions to enter the United States, gives those products an unfair advantage. The result is pressure to U.S. wage rates, with tacit approval of substandard labor rules abroad.

These imported products come from countries with no minimum wage, social security, environmental rules, worker compensation, or unemployment insurance and they pressure U.S. wage rates which continue to decline. Median U.S. family income is 2.7 percent below 1989 levels. Moreover, when adjusted for inflation, the incomes for the bottom 60 percent of households have fallen over the past 7 years. In addition, last year, during what is generally considered to be a good economic year, the median earnings of full-time male workers fell. Can there be any doubt as to why the OECD declared that the United States had the widest pay disparity in the industrialized world between the highest and lowest paid employees?

Failure to address this issue, offers tacit approval for unsafe conditions around the world. In his recent book, ''One World Ready or Not,'' Bill Greider discussed devastating industrial accidents around the world resulting from a failure to enforce basic workplace standards. Perhaps the most chilling example involved a fire in Thailand at the Kader industrial toy factory that officially killed 188 and injured 469. The actual toll was undoubtedly higher. This death toll far surpassed the Triangle Shirtwaist Co. fire of 1911. The United States' unwillingness to address this issue, by requiring that products entering the country be produced in a safe and humane manner, must ultimately bear some of the responsibility for this tragedy.

We must begin addressing these issues. Without labor reform abroad, we are destined to merely create export platforms designed to provide the United States with cheap products produced in a fashion that has not been acceptable to the United States for nearly a century. The end result will be to first reduce U.S. wages and then, in time, our labor and environmental protections.

However, history offers us a simple solution. Like Henry Ford earlier this century, the United States can seek to raise wage rates and provide workers with the opportunity to purchase the products they manufacture. Moving others higher is an infinitely better choice than the United States moving lower.

III. QUALITY OF PREVIOUS FAST-TRACK AGREEMENTS

The administration claims that fast-track authority is normal trade negotiating authority. However in the 221 years since the drafting of the Declaration of Independence, only five trade agreements have been approved through the use of fast-track authority: first, the Tokyo round 1979 trade agreement; second, the United States-Israel free trade agreement; third, the Canada-United States Free-Trade Agreement; fourth, the North American free trade agreement; and fifth, the Uruguay round trade agreement in 1994. It is now appropriate to review what has happened in the aftermath of each of these agreements to determine whether U.S.T.R. was successful in their negotiations. Unfortunately, I believe the answer to this question is that these negotiations have resulted in poor agreements and in poor results for the United States. After each of these agreements, the United States' trade deficit with each of the targeted countries degraded, in many instances significantly. Moreover, after the two multilateral trade agreements, the overall U.S. merchandise trade deficit has increased.

The 1979 Tokyo round agreement was designed to eliminate worldwide nontariff trade barriers with a specific emphasis on the Japanese. In 1978, before the agreement was reached, the United States-Japan trade deficit was $11.7 billion. The U.S. merchandise trade deficit with all of our trading partners was $5.8 billion. By 1996, the United States-Japan deficit had reached $47 billion and was $191 billion, before technical adjustments, with the rest of the world. This sad story is continued in each of the subsequent fast track agreements. Prior to the United States-Israel trade agreement in 1985, the United States maintained a surplus of several hundred million dollars with Israel. That surplus began to degrade immediately following the agreement and by 1996, the United States had a $400 million deficit with Israel. The same pattern has become apparent in our free-trade agreements with Mexico and Canada. With Canada a $10 billion deficit became a $21 billion deficit by 1996. The Mexican situation is equally poor. A $3 billion deficit with Mexico became an approximately $17 billion deficit by 1996. Last, following the Uruguay round, the American trade deficit has moved from $166 billion in 1994 to $191 billion in 1996 and with the Asian currency crisis could easily top $200 billion in 1997. Now we are being asked to approve fast-track free trade negotiations with Chile. How long will the 1996 U.S. trade surplus of $1.8 billion last?

CONGRESSIONAL AUTHORITY

Clearly our trade policy has failed to yield tangible results, but as Jack Kennedy once said, ''Our task is not to set the blame for the past, it is to set the course for the future.'' It is time we articulated a trade policy that promotes the interest of working Americans. The first step is to give the people a voice in trade policy by taking back Congress' constitutional authority to regulate foreign commerce.

If we can be trusted to ratify arms control treaties and the chemical weapons convention, what is it about trade agreements that make them so significant that the Constitution must be suspended and debate and amendments limited?

We have been told time and again that agreements would unravel if Congress was allowed into the process. Yet, when an administration needs to garner votes to secure passage of a trade agreement, the bazaar is opened and the agreements are amended.

It is of course untrue to say that fast track precludes any amendments. Trade agreements cannot be amended on the Senate floor. Instead, amendments to agreements are cut during the process of putting together implementing legislation. This is a procedure in which the Finance Committee takes on the aura of the College of Cardinals. Behind closed doors deals are cut, three puffs of white smoke appears and a trade agreement secures enough votes for final passage. This is a wonderful process if you happen to benefit from it, like the sugar industry or the citrus farmers who secured last minute changes to the NAFTA. It is not, however, what our Founding Fathers envisioned.

Instead of trying to stifle debate we should be encouraging it, debating who the winners and losers are as a result of our trade policy, both at home and abroad. Debating what we gain and what we lose, the proponents of fast track want to frame this debate as a test of American leadership. In one sense it is about leadership. Real leadership would be to break with the failed policies of the past while standing up for the principles that are the foundation of our democracy. Real leadership would be to show confidence that the agreements that are negotiated are able to stand up to full and vigorous debate, rather than being negotiated removed from review.

Real leadership would be to stand up for the children who toil in the sweatshops of the world turning out products bearing the logos of our great consumer products companies. Real leadership would be to acknowledge that the world has changed, that Asia has embarked on a different model of development and that we are not going to convert them into clones of America. Most of all, real leadership would be to stand up to predatory trade practices that are laying waste to our manufacturing sector, not just with rhetoric, but with deeds.

The hope and promise of America is that an ever-rising tide will lift all boats. Those that are pushing for fast track have been tossing Americans overboard to gain ballast in the global economy. We in the Congress see it every week when we go into the communities that have been ravaged by the global economy. I see in my own backyard; the shattered dreams of the workers at Oneita Mills and United Technologies. They deserve a voice, which is the birthright of all Americans, and fast track takes that voice away.

I ask unanimous consent that an article and a chart on this subject be printed in the RECORD.

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

TRADE ON WRONG TRACK

(By Pat Choate)

The question is not whether we will live with more globalization, for we surely will, but to what purpose, under what rules, and determined by whom.

As to purpose, trade is not a religion, as actions of the Clinton administration seem to suggest.

Rather, trade is a tool of macroeconomics, no greater or lesser than fiscal, monetary or exchange-rate policy.

Simply put, we trade for the benefit it brings—more and better jobs and a higher living standard.

Yet current U.S. trade policies are generating precisely the opposite result.

Indeed, even as trade is becoming a growing portion of our gross domestic product (GDP), it also is a growing drag on GDP growth by 1.6%.

In short, our current trade policies are harming the nation, including its consumers and workers.

The goal of trade negotiation is to set rules by which global commerce operates.

But this administration and the Republican congressional majority are openly advocating little more than 19th century laisez-faire capitalism.

No trade-related protection for the environment or worker rights.

No guaranteed workplace health and safety standards.

No prohibitions against child labor.

Such rules do nothing but create a race to the bottom between developed and underdeveloped countries.

Finally, and perhaps most importantly, the fast-track battle now before Congress raises the question of who will decide the rules of globalization—the president and his corporate trade advisers or the American people through their elected congressional representatives.

Contrary to administration assertions, President Clinton already has the authority to negotiate additional trade deals.

Other nations will negotiate.

Over the past four years, for instance, the United States concluded 200 trade deals without fast-track.

What the president really is seeking is a truncated legislative procedure by which Congress virtually preapproves any trade agreement that he makes.

Correctly, the administration emphasizes the importance of trade to the nation.

For this very reason, Congress should consider proposed trade agreements under its normal constitutional congressional procedures.

This alone guarantees a full and open consideration of whether these deals truly are in our national interest.

1966 Data

Industry/commodity group	*Ratio imports to domestic consumption (in percent)*
Metals:	
Ferroalloys	52.8
Machine tools for cutting metal and parts,	44.3
Steel Mill products	16.7
Industrial fasteners	29.5
Iron construction castings	46.2
Cooking and kitchen ware	59.5
Cutlery other than tableware	31.8
Table flatware	63.6
Certain builders' hardware	19.5
Metal and ceramic sanitary ware	18.2
Machinery:	
Electrical transformers, static converters, and inductors	38.6
Pumps for liquids	29.6
Commercial machinery	19.7
Electrical household appliances	18.2
Centrifuges, filtering, and purifying equipment	51.2
Wrapping, packing, and can-sealing equipment	26.7
Scales and weighing machinery	29.8
Mineral processing machinery	64.2
Farm and garden machinery and equipment	21.7
Industrial food-processing and related machinery	23.0
Pulp, paper, and paperboard machinery	34.4
Printing, typesetting, and bookbinding machinery	54.8
Metal rolling mills	61.4
Machine tools for metal forming	61.4

1966 Data—Continued

Industry/commodity group	Ratio imports to domestic consumption (in percent)
Non-metal working machine tools	44.1
Taps, cocks, valves, and similar devices	27.6
Gear boxes, and other speed changers, torque converters	30.5
Boilers, turbines, and related machinery	48.0
Electric motors and generators	21.1
Portable electric hand tools	27.4
Nonelectrically powered hand tools	34.1
Electric lights, light bulbs and flashlights	31.0
Electric and gas welding equipment	18.4
Insulated electrical wire and cable	30.9
Electronic products sector:	
Automatic data processing machines	59.3
Office machines	48.0
Telephones	26.2
Television receivers and video monitors	53.4
Television apparatus (including cameras, and camcorders)	74.7
Television picture tubes	33.8
Diodes, transistors, and integrated circuits	60.6
Electrical capacitors and resistors	68.1
Semiconductor manufacturing equipment and robotics	21.9
Photographic cameras and equipment	84.0
Watches	95.9
Clocks and timing devices	54.9
Radio transmission and reception equipment	47.9
Tape recorders, tape players, VCR's, CD players	100.0
Microphones, loudspeakers, and audio amplifiers	67.6
Unrecorded magnetic tapes, discs and other media	48.2
Textiles:	
Men's and boys' suits and sport coats	39.4
Men's and boys' coats and jackets	56.3
Men's and boys; trousers	37.7
Women's and girls' trousers	47.9
Shirts and blouses	54.8
Sweaters	71.1
Women's and girls' suits, skirts, and coats	55.9
Women's and girls' dresses	26.9
Robes, nightwear, and underwear	51.0
Body-supporting garments	37.0
Neckwear, handkerchiefs and scarves	55.5
Gloves	68.5
Headwear	50.5
Leather apparel and accessories	70.2
Rubber, plastic, and coated fabric material	86.4
Footwear and footwear parts	83.1
Transportation equipment:	
Aircraft engines and gas turbines	47.5
Aircraft, spacecraft, and related equipment	30.5
Internal combustion engine, other than for aircraft	19.9
Forklift trucks and industrial vehicles	21.5
Construction and mining equipment	28.6
Ball and roller bearings	24.9
Batteries	26.4

1966 Data—Continued

Industry/commodity group	Ratio imports to domestic consumption (in percent)
Ignition and starting electrical equipment	22.3
Rail locomotive and rolling stock	22.8
Carrier motor vehicle parts	19.5
Automobiles, trucks, buses	39.0
Motorcycles, mopeds, and parts	51.8
Bicycles and certain parts	54.5
Miscellaneous manufactors:	
Luggage and handbags	76.9
Leather goods	37.4
Musical instruments and instruments	57.7
Toys and models	72.3
Dolls	95.8
Sporting Goods	32.0
Brooms and brushes	26.5

*1996 data from ITC publ. 3051.

Mr. HOLLINGS. I yield now to our distinguished colleague from Maryland the remaining time that I have.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I want to get into the RECORD the figures that underlie this chart on the deterioration in the U.S. net foreign investment position.

In 1976, the United States had a $180 billion positive net position. We were a creditor nation, to the extent of $180 billion. That rose until, in 1980, it hit its peak at just under $400 billion. That is net. That is in our favor, $400 billion. Since 1980, that has begun to deteriorate, as we can see. It crossed into the minus figures in 1986, at minus $13 billion. In 1986, 11 years ago, we were at $13 billion minus. Since then, it has come down and we were at $870 billion in 1996, and it is estimated that the 1997 figures will go to $1 trillion in debt, in a debtor position.

This is incredible that, in just over 10 years, we have gone from balance in our net foreign investment position to a $1 trillion debtor position. I mean, we have been adding it at the rate of $100 billion, $120 billion, and $150 billion a year because of what happened to our trade balance, which the able Senator from South Carolina pointed out. So we have now come down to the point where we are $1 trillion in a debtor position—the world's largest debtor country.

Now, these are the issues we ought to be addressing. Fast track doesn't begin to address that issue. All fast track is trying to do is get the Congress to give up its right to review these agreements. Everyone says, well, we ought to do that. Look at how we have been doing on the trade front. Well, how have we been doing on the trade front? Look at this deterioration over the last 20 years. By coincidence—perhaps not so much by coincidence—ever since we started doing fast track, we started getting deterioration in the trade balance, year after year. I think these trade agreements need to be brought back to the Senate to give us a chance to review them. If they had to come back here and be reviewed, not on a ''take all or nothing'' basis, which, of course, is a loaded deck because as soon as that happens, then the argument they make to you is not economic; it is political.

If the President negotiates a trade agreement, let's say, with Chile, and then he brings it to the Congress on fast track, all or nothing, then we start asking economic questions about the trade agreement. We say, well, you know, this balance here doesn't seem to work. You don't open up their market the way you should and so forth. The next thing they say to you is, oh, well, we have to approve it; otherwise, the political relationship will go to pieces. That is what we were told on the Mexico agreement. We had debate on the floor of the Senate, and piercing remarks were made about the economics of that Mexican agreement and how it would not work and how disadvantageous it was. Well, then the argument shifted in order to try to push it through. The administration didn't talk anymore about the economics of it; they started talking about the politics of it. They said: Well, Mexico is our next-door neighbor. If we don't approve this trade agreement, we will have a crisis in our relationship.

In effect, that was probably true. But that's the argument that then is used, not the economic argument. So I think these agreements ought to be brought to the Senate. We ought to have a chance to amend them, if we choose to do so, not give away or derogate our authority in that important regard. Frankly, I think if the agreements have to come to the Senate in that form, they are going to negotiate tougher agreements.

If the administration knows that those agreements are going to be submitted to the Congress and subject not only to the up-or-down vote of the Congress, but also subject to amendment, they are going to have to negotiate a much tighter agreement that will withstand scrutiny. And I think it will achieve a better balance, a better balance between our opportunity to go into the other countries' markets and their opportunity to come into our market because, clearly, what has been happening for the last 20 years is that our market has been opened up far more than other nations have reciprocated.

Mr. HOLLINGS. Mr. President, right to the point, with respect to how you make your agreements and the charge now that this is not a referendum on NAFTA and Mexico, at the time NAFTA came up with respect to Mexico—I had voted for the free-trade agreement, the North American Free Trade Agreement with Canada, because we had similar economies: individual rights, appeal processes, open markets, those kinds of things, and a revered judiciary.

I will never forget that my colleague from New York, the distinguished senior Senator, Senator MOYNIHAN, said, ''How can you have free trade when you

don't even have free elections?'' Well, we look to the European experience. The Europeans found out that the free-trade approach did not work. They taxed themselves $5 billion to build up the entities of a free market in Greece and Portugal before they admitted Greece and Portugal into the Common Market, and they did just exactly that.

Instead, we were told, no, Mexico was a prototype, said the Secretary of the Treasury and the Vice President of the United States. We went pell-mell headlong, and everything they contended has gone awry the other way. They said that Mexican wages would be up. They have gone from $1 an hour down to 70 cents an hour. The American Chamber of Commerce in Mexico City says that 60 million Mexicans are living in poverty, and 25 Mexicans make as much as 25 million Mexicans. They said that we would have a plus balance of trade. Instead we went from the plus balance to a negative balance. They said immigration would be better. It is worse now. They said drugs would be better. It has gotten worse. Just look at the morning Washington Post.

You could go right on down. Everything they said happened the other way. As a result, we never have really built up the entities of a free market like, for example, we have in Chile. I said 4 years ago I would be glad to vote for a free-trade agreement with Chile. They have a revered judiciary, they do have free-market rights. They have labor rights, they have rights of appeal. So there it is. When they say NAFTA referendum, yes, it is. There is no education in the second kick of a mule, Mr. President.

We understand when they gave us that fast track on it that we were getting in trouble. But they wouldn't listen. Now is the time to stop, look, and listen, and deliberate and consider the agreement itself and not fall for this parliamentary booby trap of the White House just opening up the bazaar and selling off line-item vetoes over on the House side as fast as they can trying to change that CBI vote they got on last evening over in the House of Representatives. So the bazaar is open. They are trying to buy off the votes. They are amending while we are talking about having hopefully the right to amend.

I yield the floor.

Mr. GORTON. Mr. President, more than almost any other debate in this Senate this year, this one seems to me to pit hope versus fear, to pit the lessons of history against the blindness to those lessons. One Senator, who will remain nameless, this morning made the statement that free-trade arrangements arising out of fast-track proposals like this would harm not only the people of the United States, but the people of the other nations entering into such a free-trade proposition.

Mr. President, that exhibits a blindness to what history has shown us for more than half a century. Without exception, each liberalization of trade policies on the part of the United States that had been met by a liberalization on the part of our trading partners has benefited the people of both countries. We are in an extended and significant period of economic gains today, as we speak here, in the aftermath of a series of policies carried out by administrations, both Republican and Democratic, to free trade across the entire world. The North American Free-Trade Agreement and the most recent General Agreement on Tariffs and Trade all reflect the increasing dependence of all of the nations of the world on trade and the fact that all can prosper from a greater degree of free trade.

Now, Mr. President, I think it's possible to find examples in history, perhaps to find a few examples of the present day, of nations that have tried to create a sense of self-sufficiency with little, if any, foreign trade of any commodity whatsoever. When one searches out such examples, however, Mr. President, one finds, in every case, that those countries are poverty-stricken and show no particular movement out of that poverty-stricken nature. It is only when these nations free their economy and tend to free their trade policies that they begin to prosper.

It's also possible, I suppose, to imagine a United States which, in every single commodity consumed in the country, was a more efficient producer than any of its trading partners and, therefore, would have no need for imports at all. But, of course, that doesn't happen in the real world. One's very success would create fields in which we continue that domination and other fields in which countries begin to catch up with us.

Trade is a two-way street. Trade is a benefit not just to those who work in the trade field, but to consumers who are permitted a greater choice of higher quality goods at lower prices than would be the case if trade were restricted. That, of course, does inevitably result in losers in our economy because, as we export more, as we produce more for export, we also, as a prosperous American society, have more money to spend and often choose to purchase imported goods in some areas.

There are many occasions on which it can be argued that there isn't a huge increase in employment resulting in freer and greater trade. But it is extremely difficult to argue the proposition that export-oriented industries, generally speaking, in the fields in which American production is most efficient and effective, whether industrial or agricultural, pays its employees far more than do those unskilled trades that are affected by foreign competition, and which jobs are more likely to be lost because someone else can do a better job than we do.

So even if total employment is a zero-sum game, which it is not, the wages and salaries of those involved in trade-oriented occupations will be much higher than those occupied in fields that are artificially protected from foreign competition.

Now, does that mean, Mr. President, that under any and all circumstances we should be indifferent to the antitrade activities of some of our trading partners? Certainly not. As this body knows, I have been highly critical of some of the trade policies of this administration with respect to China, with respect to Japan, and sometimes with respect to the European Community, when those policies have imposed artificial restrictions on American producers. I wish that this administration took a much stronger stance last week with respect to Chinese restrictions on our goods, given the huge nature of our bilateral trade deficit. But the fact that we can criticize the administration for not having more eloquently and more decisively supported American interests is not an argument against granting our administration the opportunity to negotiate free-trade agreements. It is, if anything, an argument for it because, without exception, Mr. President, the nations, particularly in Latin America, with whom we are likely to negotiate free-trade agreements, have greater tariffs and greater restrictions against our goods than we do against theirs at the present time. So it is clear that a reciprocal lowering of those barriers at both ends will benefit a wide range of exporting industries in the United States.

Now, should we provide the President, at the same time, with more tools to defend American interests? We certainly should. For example, I support the efforts of my colleagues, Senator GRASSLEY and Senator DASCHLE, in proposing to amend this legislation with the text of S. 219, the Agricultural Products Market Access Act of 1997. That bill would set up a system for agricultural trade identical to that used to identify violations of intellectual property rights, the special 301 procedure. The bill would require the Office of the U.S. Trade Representative, annually, to designate as priority countries those trading partners having the most egregious trade barriers to American agricultural products. The USTR would then have the power to investigate those countries to determine whether countervailing measures are merited.

My State, Mr. President, is a great producer of agricultural products for export, just as it is of intellectual properties and of aircraft. We believe in the prosperity that comes from free trade. We want that free trade to be truly free in both directions, and no power that we could grant the President is more likely to lead to that free trade in both directions than the fast-track legislation that is before us now. That legislation, Mr. President, should be passed.

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Maryland has 41 minutes and

50 seconds. The Senator from Delaware as 77 minutes.

Mr. SARBANES. Mr. President, in view of that, I think the other side should now use some of its time since we are down now to 40 minutes and they have almost double as much.

How much is on the other side?

The PRESIDING OFFICER. Seventy-seven minutes.

Mr. SARBANES. They have about twice as much time as we have.

The PRESIDING OFFICER. If neither side yields time, the time will be charged equally to both sides.

Mr. SARBANES. Mr. President, I ask unanimous consent that we go into a quorum call and the time to be charged to the other side.

The PRESIDING OFFICER. Is there objection?

Ms. COLLINS. I object.

Mr. ROTH. I object.

Mr. SARBANES. I am glad to see the chairman of committee. We are down to 40 minutes and there are almost 80 minutes on the other side. And as we approach the conclusion of the debate I think it would be reasonable at this point for the other side to use some of its time.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from North Dakota is recognized.

Mr. DORGAN. Madam President, my understanding is that the other side may not use all of its time and would then perhaps want to yield whatever they don't use and have a vote earlier than 5. I understand that the unanimous-consent request that was entered into calls for a vote no later than 5 o'clock. So presumably, if all of our time is used and they yield back whatever time they don't use on that side, they would expect to have a vote earlier than 5 o'clock.

Mr. ROTH. That is correct.

Mr. DORGAN. Madam President, we have about four Members on our side that still desire to speak on this matter. We have alerted their offices. We expect some of them to be here momentarily and expect to use the remaining time. I think that is the purpose of the Senator from Maryland asking to reserve the 40 minutes. I certainly have no objection.

Mr. SARBANES. All I am trying to protect again is the situation in which all time is used up on this side and then there are 80 minutes left on the other side.

Mr. ROTH. I say to the distinguished Senator from Maryland that at this time we only have one request. So we probably are going to yield back time. We are waiting to see if anybody else wants to speak.

Mr. DORGAN. The Senator from Maryland is simply asking if we could preserve 40 some minutes that we have. Will the Presiding Officer indicate to us the time available?

The PRESIDING OFFICER. The amount of time remaining is 38 minutes and 48 seconds.

Mr. DORGAN. We will not seek to delay the vote. If the Senator's expectation is to try to get to a vote before 5 we would not seek to delay that but we would like very much to have a couple of minutes to try to make sure we get the speakers here so we have the 38 minutes available for the remaining speakers. If it turns out we don't need that, we would be happy to yield that back as well. We have now requests for speakers that are available to use the time.

Mr. ROTH. Why don't we just go ahead and call for a quorum, and take it from both sides equally? We are now checking to see if we need to preserve time.

Mr. SARBANES. The problem about that solution is it will then use up part of the 40 minutes that we have left which the Senator has calculated is needed in order to complete the remainder of his speakers that we have.

Mr. ROTH. How much time do you need for that?

Mr. SARBANES. Forty minutes.

Mr. DORGAN. We desire to use all of the 40 minutes. As I understand the Senator from Delaware, he is now checking to preserve that. It would not be our intention to delay the vote to the extent he is going to yield time. We certainly understand the vote can be held earlier. We are now making certain that those who asked to speak come to the floor to have the opportunity to do so. If that gets substantially delayed, we would understand the Senator's desire to proceed. I do not want to lose, at least to the extent we can prevent it, the 40 minutes that is available.

Mr. SARBANES. If the Senator will yield, our people are not here because we had calculated that the time would go back to your side. And the fact there is so much of an unbalance, I think demonstrates that.

Mr. ROTH. I have a request from the distinguished Senator from Pennsylvania. I will yield him 5 minutes of my time. I yield 5 minutes to the junior Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Thank you, Madam President. Hopefully this will provide an opportunity for the chairman to get some of the Members to the floor, and break up this discussion which is using all of your time.

Let me first rise, having sat in the chair for the last hour. I listened to much of the debate. As someone who has been listening and who voted against NAFTA, someone who had some of the same concerns that the Senator from South Carolina voiced about the structure of the Government, judicial system, and other things, and as a result I felt very comfortable voting against NAFTA. But in the House I voted for fast track because I believe that it is important for us to continue to expand our trade horizons. We are not debating the trade agreement. We have seen lots of things about the trade deficit, balance of trade, and all of these other things. But that is not really at issue here because we are not debating a trade agreement. We are debating really a process—not an agreement.

And the process is for the ability of the President to be able to sit down and negotiate a deal that is going to open up markets around the world, hopefully in South America. The Senator from South Carolina said he was ready to vote for an expansion of NAFTA to Chile possibly. We may have that opportunity. I don't think we get to that opportunity, which I think is an important one for this country, unless we have fast-track authority for this President. I would like to see the same frankly for Argentina and Brazil. I think it would be a tremendous opportunity for this country to expand our markets in the hemisphere to countries that are capable of competing on a fair basis with this country. Those are great opportunities for American workers as well as for better economic and diplomatic relationships between the countries in North and South America.

So, I see this not only as economic but also as a cultural and diplomatic opportunity for us. But it does not happen unless we put the process in place for the President to negotiate these agreements.

I know the Senator said there are lots of other agreements that have been negotiated. That is true. But these are major negotiations. These are negotiations that without a structure such as fast track I don't believe you are going to get an honest negotiation with one side sitting across from the other and saying, ''Let's put together our best agreement. Let's work on give and take. You give. I give. We work on all of the details on how we structure a formalization of free trade between to two countries.'' And say, ''Oh, by the way, after I have given up some and you have given up some, and we have been able to negotiate as best we can to a final agreement, I am going to take it back to the Congress, and they can change it and put it all back in our favor.''

I don't know of too many countries that are going to be willing to do that, who are going to be willing to sit down in the first place and say, ''We are going to negotiate with you in good faith, and, by the way, your good faith means nothing because you cannot stand behind your word because the Congress can come, amend, and change what we negotiated in a final agreement.''

That is what makes this debate somewhat vexing in my mind because we are talking about all of these horrible inequities that have resulted as a result of our trade policy. The people who are arguing against fast track want to continue our trade policy. This policy they say is so bad, they want to keep it in place by not allowing the President to negotiate better agreements with other countries or in the

world bodies to be able to open up trade to create a better trade opportunity for us around the world.

So I don't understand, and frankly, I am a little disturbed that we keep hearing the rhetoric of bad trade and horrible agreements at the same time not wanting to change those to make them better for this country. I think fast track is the opportunity to do that.

Mr. SARBANES. Will the Senator yield?

Mr. SANTORUM. Certainly. I am happy to yield.

Mr. SARBANES. In 1975 we first provided fast track. On this chart, this is 1975. Look at what happened with the trade balance.

Mr. SANTORUM. I am accepting the Senator's arguments as true—that in fact what you are signifying happened is true. By staying there and not changing things does the Senator think things would get better? To me that is the sin of when you believe that you tried the same thing, and you are going to get a different result by trying the same thing. Then you start to wonder what the thinking is.

Mr. SARBANES. I say to the Senator, if he is supporting fast track, he is the one who wants to try the same thing because this was all under fast track.

Mr. SANTORUM. I voted against NAFTA. So I think I have some legitimacy here. I am not debating that some of the agreements we have entered into in this country—you can't say only the ones entered into under fast track. We have entered into a lot of other agreements that have had an impact. But I am not debating that there are agreements that have not been beneficial to the balance of trade to this country. What I am debating is that by not changing any of those agreements somehow things are going to get better. That is really the argument here—unless we make change in those agreements things will not get better. We cannot make those changes unless we have fast track.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. MOYNIHAN. Madam President, will the distinguished chairman yield to me 3 minutes?

Mr. ROTH. I yield the distinguished Senator 3 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Madam President, I simply would wish to say that I have listened with great respect to the Senator from Maryland as regards the time sequenced in which the fast-track legislation went into effect and the foreign trade deficit began to grow.

I say two things.

The first is that the essentials of the fast-track negotiations have been in place since 1934. Nothing that discontinuous occurred in 1974. What simply was required was at that time the trade negotiations turned from tariffs on things—machines, iron ore, oil, whatever—to the question of the more complex but growing area of services, intellectual property, and matters like that. That is what impels us to give the President negotiating authority beyond the simple reduction of tariffs.

The reciprocal trade agreements that began back in 1934 said the President may cut these tariffs up to 50 percent, and proclaim it after he has reached it to his satisfaction and agreement. The increase in the trade deficit corresponds precisely to the onset of enormous budgetary deficits by the Federal Government. It is elemental bookkeeping of economics—that unless you have a very high savings rate, which we do not have, you will finance a Federal deficit by borrowing from abroad, and that borrowing will take the form of imports. In economics this is a fixed equation. One side equals the other. And at just that moment, as the Senator from Maryland pointed out, deficits begin to grow, we have the second oil shock followed by the huge deficits of the 1980's. They are an equivalence which comes almost at a level of bookkeeping. They have to happen.

Now, we have on point where our deficits are disappearing and we should have every reason in the world to think that trade deficit will disappear as well—it need not do—if our savings remain at the low level they are. But if they return to a normal level, which we hope they will, now that the deficit is not using them up, or now that more resources are available, that deficit will shrink dramatically, or we will have to write all the textbooks over again.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. MOYNIHAN. I thank the Chair.

Mr. SARBANES. Will the Senator yield? Will the Senator yield me 2 minutes?

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Will the Senator yield for a question?

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. I yield 2 minutes.

Mr. MOYNIHAN. Of course.

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

Mr. SARBANES. Madam President, in light of the comments, I ask unanimous consent to have printed in the RECORD a press release from the Economic Strategy Institute entitled ''New ESI Study Finds Causes and Costs of Trade Deficit More Complex Than Traditional Economic Rhetoric.''

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

NEW ESI STUDY FINDS CAUSES AND COSTS OF TRADE DEFICIT MORE COMPLEX THAN TRADITIONAL ECONOMIC RHETORIC

WASHINGTON, DC.—For years mainstream economists and economic journalists explained away public concern over the U.S. trade deficit by arguing the true cause of the deficit was the huge U.S. federal budget deficit and, more recently, low U.S. savings. However, a new study released today by the Economic Strategy Institute refutes these traditional explanations and argues they are no longer adequate to explain what is, in reality, a significantly more complex problem negatively affecting a wide variety of economic statistics, including aggregate demand, gross domestic product, the budget deficit, business financed research and development, wage rates, and exchange rates.

Titled The Trade Deficit: Where Does It Come From and What Does It Do?, the study examines the recent trends in the U.S. federal budget deficit and the U.S. savings rate over the past decade and uses an economic model to examine the costs of these deficits to the U.S. economy.

In contrast to a decade ago, private savings now exceed private investment, the U.S. economy continues to grow at a slower pace than the global economy, and net inflows of foreign private investment are smaller. From 1986 to 1996, the United States achieved a $92 billion improvement in the sum of its private savings balance and government deficits; yet, the trade deficit and the broader current account balance only improved by $29 billion and $5 billion, respectively. In 1997, the combined federal and state deficit continues to fall, yet the trade deficit will again exceed $100 billion, while the current account deficit will be about $150 billion.

	Private savings less investment (billions of $)	Federal and State deficits [1] (billions of $)	U.S. growth (percent)	Global growth (percent)	Net foreign private investment [2] (billions of $)	Net exports (billions of $)	Current account (billions of $)
1986	−12.4	−152.6	2.9	3.4	89.5	−140.0	−153.2
1996	9.0	−82.0	2.4	3.8	66.8	−111.0	−148.2

[1] These figures include both government current spending and receipts, and governmental capital spending and borrowing for roads, schools, equipment, etc. The federal current spending deficit and the combined federal/state current balances are the figures cited in daily news accounts and political discussions of taxes, spending and deficits. The federal/state current deficit fell from $82.6 billion to $5.1 billion from 1986 to 1996, and should be in surplus in 1997.

The capital spending deficit represents the addition of new capital assets (roads, buildings, etc.) and new liabilities (bonds) on the government's balance sheet, and it is not an item on the government's current income and expenditure statement; however, it is part of the nation's combined public and private capital financing needs and is an element in the national savings balance. Notably, the government capital deficit increased only $12.1 billion from 1986 to 1996, and the marked improvement in federal and state finances was attributable to genuine progress in federal/state current spending deficit.

[2] See Footnote 1.

Authored by Dr. Peter Morici, director of the Center for International Business at the University of Maryland and an adjunct senior fellow at the Economic Strategy Institute, the study examines the old chestnut that the current account is simply the other side of an immutable accounting identity—the difference between domestic savings and investment—and finds that is becoming increasingly clear that trade and current account deficits are strongly influenced by forces quite separate from U.S. fiscal policies and domestic savings and investment behavior.

Morici argues that most economists overlook the fact the accounting identity can and does work in reverse. Increased foreign demand for U.S. securities, instigated by events independent of U.S. government policies and business conditions, can powerfully influence the U.S. current account deficit and domestic economy.

For example, in the 1990s, the Japanese, the Chinese, and other governments have dramatically increased their purchases of U.S. government securities, propping up the value of the dollar against other currencies. This has helped to sustain both their trade surpluses and U.S. trade deficits, even as the United States has put its fiscal house in order. In most cases, he argues, these purchases are not market-driven decisions made in response to higher U.S. interest rates. Rather they often reflect policy decisions to block exchange rate adjustments, and reduce internal pressures on national governments to revise protectionist trade polices and the reliance on export-driven growth.

''Other things being equal, one would expect U.S. government budget balances and trade and current accounts to be correlated,'' Morici argues. ''This is not the case, however, which reflects the strong influence of other, offsetting factors. Significantly, these statistics do not imply that government deficits have little consequence for U.S. external balances. Rather, they illustrate that simple accounting identities do not justify blind assertions of causality.''

To analyze how U.S. fiscal policies, the actions of foreign governments, or abrupt shifts in private investor sentiment may affect trade current account deficits and the domestic economy, Morici constructed a model of 1996 macroeconomics activity and potential GDP for the study and analyzed the trade and current account deficits may instigate in markets for domestic goods and services, capital, and foreign exchange. He found trade deficits impose costs on the U.S. economy in several ways:

In the near term, trade deficits may reduce aggregate demand, and lower real GDP by redirecting labor and capital away from export and import-competing activities, where these resources are generally more productive.

Eliminating the trade deficit, through a combination of reduced government deficits and foreign government purchases of U.S. securities, would increase real GDP by $44 billion or about 0.6 percent.

Eliminating the trade deficit would increase business-financed R&D by an estimated 3 percent. Production function studies indicate that the R&D-capital elasticity of output-per-hour in the private business sector is about 0.19. This implies that persistent trades deficits have lowered the growth of labor productivity and potential real GDP in the United States by about 0.5 to 0.6 percentage points per year. Trade deficits appear to be responsible for a significant share of the slow down in the growth of U.S. productivity and GDP in recent years.

In addition to these dead-weight losses, persistent trade deficits impose other, distributional consequences. The same forces that give rise to trade deficits also raise the exchange rate for the dollar by about 7 percent. This lowers the prices received for exports and import-competing products, and lowers the wages and profits earned by workers and firms in these industries. In turn, prices, wages, and profits are higher elsewhere in the domestic economy.

Given an estimate of the share of the economy whose wages and other factor prices are substantially influenced by the prices of traded goods and services, the amount of income redistributed may be estimated. In 1996, exports plus imports were about 24 percent of GDP. By these estimates, 1.6 percent of GDP is being transferred through reduced wages and payments to other factors. If a much more conservative estimate of the share of factor markets affected by trade is applied, this estimate of income transferred become 0.6 percent of GDP, which is still a formidable figure.

''These estimates,'' Morici argues,'' go a long way toward explaining the fierce resistance to continued globalization encountered from workers and firms whose present and prospective incomes have been adversely affected by this process.''

Mr. SARBANES. It says:

For years mainstream economists and economic journalists explained away public concern over the U.S. trade deficit by arguing the true cause of the deficit was the huge U.S. Federal budget deficit and, more recently, low U.S. savings.

Exactly the argument the Senator from New York has just made.

However, a new study released today by the Economic Strategy Institute refutes these traditional explanations and argues they are no longer adequate to explain what is, in reality, a significantly more complex problem negatively affecting a wide variety of economic statistics, including aggregate demand, gross domestic product, the budget deficit, business-financed research and development, wage rates, and exchange rates.

And then it goes on in effect to say that this traditional analysis is really simplistic; it doesn't really answer the situation. It is almost dismissive of any trade deficit problem. In fact, if you look at the movements here, there is not a direct correlation between the various factors the Senator talked about. I mean you have a decline in the goods trade balance here at the time the trade deficit is still going up.

Mr. MOYNIHAN. We held tightly.

Mr. SARBANES. I am sorry. You have an improvement in the trade deficit when the deficit was going up. Then here the deficit has been coming down, the domestic deficit, yet the trade deficit has been worsening.

Mr. MOYNIHAN. May I simply say to my friend that I admit the complexity of this matter.

Mr. SARBANES. Absolutely.

Mr. MOYNIHAN. I do no more than argue what economists now believe, that they may have to change their mind. I don't in any way contest. But I am just saying tomorrow when we have more time I wish to discuss this at greater length.

Mr. SARBANES. Does the Senator see any problem with running trade deficits?

Mr. MOYNIHAN. There is no alternative when you have a huge budget deficit, sir.

Mr. SARBANES. What do you do when you don't have a budget deficit and you are still running large trade deficits?

Mr. MOYNIHAN. Then you better rewrite your textbooks.

Mr. SARBANES. That's what I think needs to be done.

Mr. MOYNIHAN. That has not happened yet.

Mr. SARBANES. That is why I wanted to submit that study for the RECORD.

Mr. MOYNIHAN. That hasn't happened yet.

Mr. SARBANES. The real world may be ahead of the textbook writers.

Mr. MOYNIHAN. That's been known to happen.

Mr. SARBANES. Yes, it has.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. I ask unanimous consent that the vote occur on or in relation to the motion to proceed to S. 1269 at 4:20 today, with Senator DORGAN or his designee in control of 40 minutes, and Senator ROTH or his designee in control of the remaining time, with the 5 minutes prior to the vote in control of Senator ROTH and the 5 minutes prior to Senator ROTH's time in control of Senator DORGAN.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROTH. I now yield 10 minutes to Senator CHAFEE.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Madam President, thank you. I thank the chairman for yielding me this time.

Madam President, some have argued that fast-track procedures are either unnecessary or that they are a threat to Congress' constitutional authority, or both.

The answer to that is fast track is none of the above. It is both necessary and constitutional. First of all, fast track is absolutely critical if the United States is to continue to expand global market opportunities for American manufacturers and service providers and their workers. Without fast track, no President can assure our trading partners that the terms of a hard-won agreement will not be rewritten by Congress. That is the problem.

Now, sometimes it is worthwhile to look at history. In 1934, Congress approved the Reciprocal Trade Agreements Act, which gave the President authority to lower tariffs with our trading partners. That worked fine for several decades. This was when we still had an emerging global trading system which primarily relied on tariffs. Between 1934 and 1945 the United States concluded 29 bilateral agreements for tariff reductions. When the GATT system came into being in 1948, the system still worked. Tariff reductions were the main focus of five successful negotiating rounds between 1947 and 1962.

But here comes the modern system. By the 1960's, the world trading system had become much more sophisticated and so had trade barriers. In 1962, the Kennedy round began, and for the first time the negotiations addressed not just tariffs but nontariff problems such as antidumping measures. When the negotiations concluded on the Kennedy round in 1967, the Johnson administration brought the agreement back home, but Congress promptly passed legislation nullifying part of the Kennedy round agreement, effectively

amending the deal that had been so carefully worked out with the GATT nations.

The result. What happened? The Kennedy round went into effect without our participation. The message which that sent to our trading partners was obvious. Hard-fought trade deals with the United States will not stick. And the corollary lesson to the United States was equally clear. Before the United States will be allowed back at the negotiating table, it must restore its credibility by demonstrating its ability to stick to a deal.

Therefore, when the Tokyo round began, President Ford appealed to a Democratic Congress for a solution. The dilemma was noted that our negotiators cannot expect to accomplish the negotiating goals if there is no reasonable assurances that the negotiated agreements would be voted up or down on their merits. So a set of procedures was developed, the so-called fast track. As has been noted here many times, that fast-track authority has been extended to every President, Democrat or Republican. It has been authorized or reauthorized or extended four times, and it is the means by which every major trade agreement since the 1970's has been implemented.

In mid-1994, fast-track lapsed, and since then our trading partners, quite rightly, have questioned our ability to stick by a deal, and they have been reluctant to deal with us. Some have cited the fact that the administration has concluded all but a handful of 222 trade agreements without fast track. ''You don't need fast track. Why, we had 222 agreements without it.''

That is misleading. There are 200 plus agreements listed by the administration as accomplishments, but look at the list. Most of the agreements tend to be small, product-specific arrangements like an agreement on ultra-high-temperature milk or the List of Principles for Medical Devices. They are certainly important, but they hardly qualify as major stimuli to our national economy.

In contrast, the handful of agreements that require fast track are the critical, comprehensive, multisector agreements that address both tariff and nontariff barriers.

Now, let's get to this constitutional argument that has been tossed around. Fast track represents, it is said, a surrender of Congress' constitutional duty under article I of our Constitution, which says that ''The Congress shall have Power . . . To regulate Commerce with foreign Nations. . . .''

Under fast track, Congress' role in trade negotiations has not been diminished or disregarded. Clearly it would be impossible for 435 Representatives or 100 Senators, all of whom believe they are qualified to be President—indeed, I believe there has been a terrible overlooking that they are not chosen as President—each of these individuals could not carry out at the same time our trade negotiations. Now, what fast track does is it allows the President to carry out the negotiations but imposes strict requirements for ongoing consultations to ensure that Congress' voice is heard.

Madam President, it has been my privilege to have served on the Finance Committee for 19 years now. When we have a fast-track measure come up, there is constant consultation with that committee and other Senators on the negotiations that are taking place that subsequently fast track will be asked for. So the Israel, Canada, Mexico, and Uruguay Round Agreements were guided by thousands, literally thousands, of briefings and discussions between the negotiators and Members of Congress or their staffs. Congress will continue to be consulted. So, indeed, we do write the legislation to implement these agreements, and Congress' authority is not being constitutionally revoked or the Constitution is not being overridden.

Madam President, the fast-track partnership has guaranteed Congress' continued fulfillment of its constitutional role in international negotiations.

Now, is every Member of Congress going to be satisfied? No, apparently not, as we have heard this afternoon and yesterday. But will the partnership produce agreements that have taken into account a broad variety of U.S. interests and views? That is absolutely true.

I would just briefly like to touch on what happens if we do not approve fast track. That is the argument in the Chamber here. Do not have it. I know that it is always prefaced by the opponents saying, ''I'm not against free trade,'' and then they proceed to inveigh against fast track.

The United States is the world's largest trading nation, the largest exporter and the largest importer. We are the giant of the world trade area. We enjoy prosperity today in large part because of our trading activities.

This is what Dr. Alan Greenspan said a week ago, on October 29:

> The quite marked expansion in trade has really had a pronounced positive impact on rising living standards. Since 1992, exports have been responsible for one-third of our economic growth. Trade now represents a solid 30 percent of our GDP, and our exports continue to rise. This export activity supports some 11.5 million well-paying jobs across the Nation.

They certainly do in my State where we are very, very grateful for our trade and where we believe the opportunities for trade should increase. Our exports from small Rhode Island hit $1 billion last year, with projections for this year estimated at $1.2 billion. State officials in my State count on exports as a key element in our economic growth and are aiming to reach $2 billion in exports by the year 2000, which is only what, 3½ years from now.

If we want to continue this prosperity, we must continue to advance trade liberalization worldwide. In order to do this, we must have fast track.

Now, there is urgency to this. We are seeing the southern nations of this hemisphere—Brazil, Argentina, Paraguay, Uruguay—mount an aggressive effort to develop a free-trade region throughout the Western Hemisphere. Chile, which is more than a little tired of waiting for us, has completed separate trade agreements with Canada and Mexico as well as Colombia, Venezuela, Ecuador, and they are reaching out to Central America and Asia likewise. Mexico has concluded agreements with Colombia, Venezuela, and Costa Rica, and are talking to the other nations including the Caribbean nations.

The European and Asian nations are getting in on this. Both the European Union and the Southeastern Asian nations are courting the South American countries. Chinese and Japanese officials are eyeing the major Latin American nations.

The United States is in real danger of falling behind all of this. That has ramifications for American workers and their families.

One example that hits close to home for Rhode Islanders is Quaker Fabric Co., a Fall River, MA, textile firm employing 1,800 workers—many of them Rhode Islanders. Quaker recently lost a $1.8 million annual contract in Chile to a Mexican competitor whose product is exempt from Chile's 11-percent tariff thanks to the Chile-Mexico trade pact. And Quaker was told by an Argentine buyer that he was switching to a Brazilian fabric supplier whose product, while of lesser quality, is not subject to a 25-percent tariff. Quaker's president tells me that if Quaker could just gain equal footing in the region with its Latin competitors, the company could boost export sales and add 200 more jobs.

It is examples like these that have spurred the National Governors' Association and the U.S. Conference of Mayors—whose members are keenly interested in economic growth—to strongly endorse fast track reauthorization.

Opponents of fast track would have one believe that there are other options than fast track. That is not true. If we want to play in the trade game, if we want to make agreements with trading partners, if we want to continue to engage in the world of trade, we must have fast track. If not, we cannot enter into significant agreements with our partners, and others will quickly move in to fill the vacuum—and reap the jobs—we have left behind.

In sum, fast track is in the best interests of the United States. It is a necessary prerequisite for negotiations; it is constitutional; and it is critical for economic and job growth in our nation. I urge my colleagues to support the pending legislation.

Mr. DORGAN. Madam President, I yield 10 minutes to Senator REED.

Mr. REED. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Madam President, I am here today to comment once again on not only the fast-track agreement but also the overall context of U.S. trading. The discussion between the Senator from Maryland and the Senator from New York pointed out the complexity of looking at the trade deficit. But there are some things that are quite clear despite the complexity.

In 1980, we had a surplus of roughly $2.3 billion. By 1996—we have now a deficit of $165 billion. That is the time in which fast track has been operative. That is the time in which fast track has been the centerpiece of our legislative efforts, our international efforts to increase trade in the world.

This deficit right now is a result of many things. It is a result of, in some respects, our fast-track policy. But it is a result also of our inability, I think, to deal with some of the more basic issues in international trade, dealing with some countries that utilize access to our market but at the same time deny us access to their market. It is a phenomenon also caused by the proliferation of multinational corporations that move their operations, in many cases, out of the United States because of our environmental laws, because of our labor laws, because of many stringent requirements that raise and maintain the quality of life and the standard of living here in the United States. And they have gone to other countries. In fact, some of our policies have encouraged their departure.

One of the striking differences between this fast-track bill today, 1997, and the fast-track bill that was adopted in 1988, is that we have neglected to include within the principal negotiating objectives attention to the rights of workers of our potential trading partners. We have also neglected to include currency coordination, which is an important aspect of ensuring that a free-trade system operates appropriately and correctly. We have also narrowed significantly the scope of concerns which we can address with respect to the environment.

Regardless of our budget situation, we will have contributed to the further deterioration, if this bill passes, of our trade position, because we have included increased incentives to deploy capital from the United States from other parts of the world to developing countries, which effectively will mean that they will be our competitors.

I know, when the Senator from Maryland and the Senator from New York were talking, they were talking about the overall trade balance, making the distinction between our trade balance and our Federal deficit. But I think if you just aggregate that trade balance, you will see clearly that in terms of manufactured goods we are consistently losing. And that is the most prescient, tangible point with respect to the arguments that, because of some of these trading rules, literally our good manufacturing jobs are going overseas.

Mr. SARBANES. Will the Senator yield on that point?

Mr. REED. I will be happy to yield.

Mr. SARBANES. Since 1974, our trade deficit on merchandise goods is $1.8 trillion. In just over 20 years, $1.8 trillion. Up until 1975 we had been running modest surpluses every year in our merchandise trade deficit. So there has been a dramatic deterioration.

Mr. REED. The Senator is quite correct—reclaiming my time. It illustrates his point, that there may be, in fact, countervailing foreign investments in this country to make up for our budget deficits, but that does not explain the phenomenon of losing consistently and persistently the battle for the sale of manufactured goods from our suppliers to other countries around the world.

Mr. SARBANES. If the Senator will yield further? To the extent there are such investments, those then become claims which foreigners hold against us. So what has happened is we have gone from being a creditor nation in 1980, where we were a creditor nation to the tune of $400 billion, to today where we are a debtor nation to the tune of $1 trillion. So, because they sell more to us than we sell to them, they build up claims against us and we become a debtor. Now we are the biggest debtor nation in the world.

Mr. REED. Again, the Senator is absolutely correct. Frankly, to move to an analogy which is a little more colloquial but perhaps just as compelling, if we were managing a professional baseball team and we lost every year for 10 or 15 years, I don't think we would be managing that baseball team.

That is essentially, if you charge us as managers of our international trade policy, we have lost every year for the last several decades. The trade policy has to be changed. Frankly, I don't believe anyone here is advocating that we could not use a good fast-track procedure. The argument is this is not a good fast-track procedure; that we are neglecting several of the most critical items when it comes to realistic competition between countries in the world today for international trade. We are totally neglecting the differential between our wage structure, particularly our manufacturing wage structure, and the wage structures overseas. We are neglecting it by simply saying that is not important to us, we don't care if workers in Third World countries are making 2 or 3 cents an hour or 20 cents an hour, when our workers are making $6 or $7 an hour or more. We don't care about that.

We should care about that because, frankly, that is one of the reasons why we have a huge trade deficit, particularly in manufactured goods. Because there are incentives now, huge incentives, to deploy capital from the United States into these countries so that they can set up manufacturing plants. And we have seen it consistently. We have seen it even deliberately, blatantly, in the sense of finding places where the labor laws are so lax that there are incentives for companies to move in.

In Malaysia it was an explicit condition of the movement of many American manufacturers into that country that Malaysia would not have, or enforce, strong labor laws. They would not give their workers the right to benefit from these new industries coming in and developing and selling successfully in the world economy.

Is that wrong? It's wrong for those workers, which is a concern. But what is more of a concern for me, it is wrong for our workers because how can we expect to be competing against workers with new, modern technology based on new capital investments, workers who are as well skilled as ours may be, in a world in which they are paid a fraction of what is the minimum wage here in the United States?

Then you can also look at the issue of environmental quality, which is so important. It is not important in just a touchy-feely sense; we want to make sure there are forests and the streams are filled with fish, et cetera. It is really a very practical sense.

When a group of multinational countries now can go into Mexico, set up new manufacturing plants and literally take all their effluent and just pour it into the local sewer—something they could never do in their home country, not in the United States, not in Europe—that is an advantage for them to go there. We have to recognize that. We can't be naive and sloganize here on the floor and say it's just free trade, and free trade. Free trade makes sense if there are the conditions for free trade: That there are, in fact, complementary monetary and fiscal policies in each country; that there is, in fact, respect for workers' rights and workers' ability to organize.

One of the assumptions underlying free trade is that when workers are displaced by imports in one sector of the economy, they move to a more efficient job in another sector of the economy. And we know that is not the case. It doesn't happen. Maybe it will happen in 50 or 100 years. But in the lives of Americans today, and their children's lives, that doesn't happen. We see dislocation. And we see dislocation that can be avoided, at least minimized, if we adopt strategies in this fast-track legislation that will direct the President to deal with these issues, to deal with them aggressively and to come back to us with an agreement that does talk about how we are going to raise the standard of living, through trade, of individuals in our trading partners' countries; of how we are going to deal with environmental issues in those countries; how are we going to make sure that currency valuations changes, manipulations, don't undercut all that we think we have gained at the bargaining table.

The classic example of course is Mexico. We went in and reduced significantly, we thought, the tariffs that the

Mexicans would charge us, the tariffs that we would charge them, thinking that now our goods would move back and forth freely. All of that was wiped out by a 40-percent reduction in the value of the peso; the purchasing power of Mexican citizens who might want our goods. And to not be concerned about that, to not elevate that issue of currency coordination to a major negotiating objective is absurd. It is particularly absurd within the last 2 weeks when all we have read about is the currency attacks in the Far East and Thailand, in all of these countries, leading to a shock wave on Wall Street.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. REED. I request an additional 3 minutes.

Mr. DORGAN. I yield an additional 3 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Let me just, in the remaining 3 minutes, say that individuals, colleagues who come to the floor and just talk slogans about free trade have not, I think, understood what is going on. Why does Japan run a $47 billion a year surplus with the United States? Because they exclude our goods. Why does China run a multibillion-dollar surplus with the United States? Because they exclude our goods; and because they manipulate their currency to reduce the wages, effectively, of their workers; because they are insensitive to environmental quality; because they claim, for cultural reasons, historical reasons, they don't have to abide by intellectual property rules or anything else.

Those are the real issues that we face concerning our ability to compete in the world economy. What does this legislation do about those things? Ignores workers' rights; ignores environmental quality; and to a great degree it ignores currency coordination as major negotiating objectives. In effect what we said is: Listen, we are going to give the President fast-track power to do everything except what is most important to be done. And that is our objection. No one is here on the floor saying that we can withdraw from the world trade economy or we should withdraw from the world trade economy. What we are saying is let's negotiate agreements that will benefit all the citizens of this country; that will benefit working men and women throughout this country; that will ensure that they have a fair opportunity to work and earn wages that are decent. And that is not going to happen under this agreement.

What we have to do, I believe—and I hope we can—is ensure that the negotiating objectives are changed; that we do provide the President with the directions, with the incentives, with the authority to go out there and talk seriously about all these issues. Frankly, there was some discussion before that our trading partners won't take us seriously. What they won't take seriously is any President of the United States talking about workers' rights, about environmental quality, and about a strong stable currency coordination in the world, if we pass this fast-track agreement. Because we basically told them we are not interested. What we are interested in here is promoting capital deployment from the United States into areas of the world that don't treat workers properly, that don't care about the environment, and may or may not manipulate their currency to maintain the advantage they have against the United States.

This is not an agreement that we should support. If we want fast track, let's get it right, let's do it right. This is not the right way to go.

The PRESIDING OFFICER. The Senator's additional time has expired.

Mr. DORGAN. Madam President, I yield 10 minutes to the Senator from California, Senator BOXER.

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mrs. BOXER. Madam President, I compliment my colleague, Senator REED, for his very astute remarks. I thank the Senator from North Dakota for putting together what I think is a very excellent presentation. He has been carrying it through and I am proud to stand with him and the others who feel that we should not grant fast-track authority in this particular case.

Madam President, as a student of economics, I learned that if you listen to an economics debate you will find that people generally fall into categories.

When it comes to trade, I believe there are three categories. First, it is the free-trade-or-nothing category where you can't tell them anything about the evils that could come. They don't want to see the statistics about what happens to the downward pressure on wages. They don't want you to tell them even that there is any degradation to the environment. I call it the see-no-evil category. They don't want to know.

Then there is another category which is the no-trade-no-matter-what category. I think those are the ones who don't want to hear any of the benefits that can come from trade. Maybe they are a little long run they say, or maybe we need to work more closely to make sure that the problems are resolved, but they don't want to hear that. That is the hear-no-evil category.

Then there is this third category that I think a lot of my colleagues are in, and I certainly put myself in that category. And that third category is the fair-trade category, not the free-trade-at-any-cost category, not the no-trade-no-matter-what category, but the fair-trade category.

I want you to know, Madam President, I have voted for fast-track authority several times. When it came to Canada, when it came to Israel, when it came to the GATT, I was there, because I felt when our administration, whoever it is, Republican or Democratic President, negotiates with countries who have similar standards of living, similar environmental laws, I don't fear downward pressure on wages, I don't fear downward standards for the environment, I don't fear downward standards on food safety, because when we are dealing with countries who care about what we pay, who have the same values in terms of worker rights and environmental rights, I feel comfortable giving fast-track authority to the President.

I have to say that in this case, I feel very uncomfortable about giving this authority. I have been trying to find out what is the minimum wage or the wage paid for a manufacturing job in Indonesia, in Malaysia which are countries that, as members of APEC, may very well will be part of this authority. I have not been able to find out the minimum wage or the average wage for manufacturing jobs is in those countries. I am told that a statistical abstract put out by the Department of Labor does not contain the average hourly wage for manufacturing jobs in those countries. I am also told that the Department of Labor's statistical abstract does not contain the hourly manufacturing wage for Chile either. Rather, someone at CRS extrapolated from other available information to come up with an approximate hourly wage in Chile of $2.32. This compares to an approximate average hourly salary of $17.74 in the United States for manufacturing jobs.

So here we have colleagues willing to hand over authority to make agreements with countries that we don't even know what they pay their workers, let alone what their environmental laws are.

It seems to me there has to be a better way. I was listening to Senator BYRD's speech, and when he said, ''Why are we here?'' I think that is a reasonable question, because if you read article I, section 8 of the Constitution, it grants Congress the sole power to regulate trade and commerce with foreign nations and to make all laws which are necessary to carry out that power.

Once in a while, we cede away our power. As I said, there have been times when I felt it was OK to do that. But in this case, when you don't even know who it is you are dealing with, what they pay their people, what their environmental laws are, it makes very little sense, and I think it puts our workers and our environment at great risk. The benefits of trade, under these circumstances, will certainly not outweigh the disadvantages.

I represent the largest State in the Union, along with Senator FEINSTEIN. I have watched the NAFTA. It was a close call for me on the NAFTA. I wound up saying no, because I believed the same problems existed then: the downward pressure on wages; the lack of environmental laws.

I have to say that as you look at the different analyses as to whether NAFTA has worked—did it do better or

not—as we have already heard today, we went from a trade surplus of about $5.4 billion with Mexico in 1992 to a trade deficit of more than $17 billion in 1996.

Increased trade. Who benefited? Ask the California wine industry, I say to my friends. I represent the proudest wine industry maybe in the world. Those wines that are made in California are world renowned. Yet United States wine exports to Mexico have dropped by approximate one-third. United States wines face a 20 percent tariff in Mexico.

However, coincident with NAFTA, Mexico gave Chilean wines a tariff reduction from 20 percent to 8 percent and guaranteed duty-free status within a year. But U.S. wines were subject to a 10 year phase-out of the 20 percent tariff. Ambassador Kantor, who I believe really wanted to make something good happen, promised to negotiate, within 120 days of NAFTA coming into force, a reduction of Mexican tariffs on United States wines—it did not happen. In fact, Mexican tariffs on United States wine and brandy are still at their pre-NAFTA levels, as a result of an unrelated dispute regarding corn brooms.

So as my kids used to say when they were younger, it is time to take a time out. Take a deep breath, see where we are on the agreements we have already signed that haven't lived up to their promises.

Sometimes when my colleagues—and I just heard one of them on the floor—talk about fast track, they get this energy. It is almost an out-of-control enthusiasm. I think sometimes when you go on a fast track, you go too fast. What is the rush? Why not allow this Congress to do our work? I didn't come here to exert downward pressure on workers' wages. I came here to make life better for the people of California. I didn't come here to see our environmental laws degraded, yet we have already seen examples of trade policy pressuring the United States to lower its environmental protections. Look at what recently happened with our dolphin protection laws. A trade deal with Mexico prevailed over our law and resulted in our law being weakened. In 1999, the definition of our beloved ''dolphin safe'' label could change because of trade pressures—not because we love dolphins any less. They just take a back seat.

We saw shipments of poisoned berries come into our country. If we had enough inspectors there would probably be a better chance that these situations would not occur. Time out, folks, before we see that kind of situation expand. Sure, there will be more trade. But is that the kind of trade we want, where we have to recall berries because we don't have enough inspectors?

I invite my colleagues to go down to the San Diego border. The border infrastructure is inadequate for the amount of trade. The new trade with Mexico as a result of NAFTA has placed severe stress on our southern border transportation infrastructure. According to the California State World Trade Commission, the result has been bottlenecks and traffic jams at border crossings, safety hazards, and declining environmental quality in the areas around the ports of entry. Why don't we do first things first? Why don't we bring these agreements to the Senate, to the House, let us debate and, to my colleague who says, ''Well, every Senator wants to be President so it would be impossible because we are all so,'' I assume he meant ''egotists that we would write it our way,'' I say I know a few Senators who don't want to be President. As a matter of fact, most of them don't. Most of them want to be Senators.

I have seen this U.S. Senate work on chemical weapons treaties, all kinds of treaties that were difficult, and do you know what, Madam President? We did the job. That is what we are sent here to do, not to throw the ball over to the Executive and say, ''It's yours, we don't care about wages, we don't care about the environment, we're just for trade at any cost.'' I hope that we don't take that course.

If you want to look at the jobs lost through NAFTA, the Department of Labor certified that there were 116,418 workers who notified them in April 1997 that they would lose their jobs as a result of NAFTA. There are estimates that go as high as 400,000 job losses. That is just job losses. What about the downward pressure? What about those who leave manufacturing jobs and have to go to service-sector jobs which pay less? That is the kind of disparity we see.

I ask unanimous consent for 3 additional minutes.

Mr. DORGAN. I yield the Senator 3 additional minutes.

Mrs. BOXER. I thank my colleague for the additional time.

So when we look at the issue of trade, there are some who say the most important thing is the efficient flow of capital. Capital will flow to the low-wage countries, and that is the only thing we should be concerned about.

But it seems to me in the United States of America, going into the next century, we have to value not only the flow of capital, which I believe ultimately will flow to the most efficient place, but we have to value the workers, we have to value the environment and we have to value our quality of life.

I ask unanimous consent that these documents from environmental organizations be printed in the RECORD.

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

[News Release From National Wildlife Federation, Oct. 8, 1997]

ENVIRONMENTALISTS UNIFIED ON FAST TRACK: CHANGE IT OR REJECT IT

WASHINGTON, DC.—Today, the National Wildlife Federation, National Audubon Society and Defenders of Wildlife called on Congress to reject fast-track trade bills currently under consideration until they guarantee that meaningful environmental safeguards become part of future international trade agreements.

Despite rhetoric to the contrary, neither of the fast-track bills offered by the Senate Finance or House Ways and Means Committees satisfies the objectives for green trade negotiations recommended by the groups. One key problem with these bills is that they establish new and stringent restrictions on the President's ability to negotiate environmental safeguards in future trade agreements. ''Instead of merely including the word 'environment' in the fast-track proposals as a way of appeasing our concerns, we urge Congress and the Administration to begin addressing strong environmental standards among our trading partners,'' said Barbara Bramble, Senior Director for International Affairs at the National Wildlife Federation.

The environmental groups assert that neither bill offers a comprehensive agenda for the environment in trade negotiations. They both fail to insist that negotiators create a level playing field to ensure that trading partners compete fairly by enforcing environmental laws. They provide no specific objectives for improving the transparency of the World Trade Organization (WTO). And they fail to ensure that environmental agencies like the Environmental Protection Agency (EPA) are active participants in trade policy negotiations. ''We must find a stronger voice for the environment during trade negotiations, which are now dominated purely by commercial interests,'' said Dan Beard, Vice-President for the National Audubon Society.

Also extremely troubling is the fact that none of the bills explicitly exclude the so-called Multilateral Agreement on Investment (MAI) from fast-track consideration. The MAI would make it much easier for multinational corporations to freely move capital and production facilities without responsibility for environmental performance, and would create new litigation hooks for corporations to sue national governments over environmental standards. Already under NAFTA, the U.S.-based Ethyl Corporation has filed a $251 million lawsuit against Canada because the Parliament banned the import and interprovincial transport of a toxic gasoline additive. ''We must ensure that international trade pressures such as the MAI and NAFTA do not accelerate the 'race to the bottom' for investments in poorer areas of the globe,'' said William Snape, Legal Director for Defenders of Wildlife.

Strong economies and clean environments are two sides of the same coin, assert the three conservation groups. ''Our vital national interests are best served when trade negotiators bring home agreements that simultaneously strengthen our economy and protect our environment'' said John Audley, Trade and Environment Program Coordinator for National Wildlife Federation. ''The fast-track bills offered by Congress fail this test and we must accordingly reject them.''

The National Wildlife Federation is the nation's largest conservation group, with over 4 million members and supporters across the United States. The National Audubon Society, with approximately 600,000 members nationwide, is dedicated to protecting birds, wildlife and their habitat. Defenders of Wildlife has over 200,000 members and supporters, and seeks to protect all native plants and animals in their natural habitats.

LEAGUE OF CONSERVATION VOTERS,
Washington, DC, November 4, 1997.

U.S. House of Representatives,
Washington, DC.

Re: H.R. 2621, the Reciprocal Trade Agreement Authorities Act of 1997—Oppose Anti-Environmental Fast Track Trade Negotiating Authority

DEAR REPRESENTATIVE: The League of Conservation Voters is the bipartisan, political arm of the national environmental movement. Each year, LCV publishes the National Environmental Scorecard, which details the voting records of Members of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide and the press.

This week, the House is likely to vote on H.R. 2621, the Reciprocal Trade Agreement Authorities Act of 1997. The bill establishes new and stringent restrictions on the President's ability to negotiate environmental safeguards in future trade agreements. This legislation does not satisfy the objectives for green trade negotiations recommended by national environmental organizations. In particular, H.R. 2621:

fails to require that trade rules do not undermine legitimate environmental, health, and safety standards;

fails to insist that our trading partners enforce strong environmental laws in order to establish a high, level playing field as a basis for international economic competition;

fails to mandate increased opportunities for public participation in World Trade Organization deliberations and dispute resolution that might affect environmental, health, and safety safeguards;

fails to ensure that US government agencies with responsibilities for environmental protection, resource conservation, and public health and safety are active participants in trade negotiations which could effect policy matters under their authority;

does not explicitly exclude the Multilateral Agreement on Investment (MAI) from fast-track consideration, an agreement that would allow investors to sue for compensation before international tribunals if pollution laws are alleged to reduce their property values;

fails to provide for environmental assessments of trade agreements early enough in negotiations to influence the outcome of those negotiations and

does not provide Congress sufficient leverage to ensure that trade agreements serve the broad public interest.

LCV's Political Advisory Committee will consider including votes on H.R. 2621, The Reciprocal Trade Agreement Authorities Act of 1997, in computing LCV's 1997 Scorecard. Thank you for consideration of this issue. If you need more information, please call Betsy Loyless in my office at 202/785/8683.

Sincerely,

DEB CALLAHAN,
President.

Mrs. BOXER. Madam President, you will find a huge number opposing this fast-track legislation. The National Wildlife Federation basically says that they are against it for one reason. They have no assurances that the Environmental Protection Agency of America will be active participants in the trade negotiations. There are many other organizations which I don't have the time to name at this point.

We have to make a choice. We have to decide, if we value our workers as much as we value the free flow of capital, we have to ask ourselves, do we value clean air and clean water as much as we value the free flow of capital?

We have to say, do we value our safe food supply as much as we value the free flow of capital? And do we feel that it is important to have an adequate infrastructure in place of inspectors at the border to make sure the food supply is safe, to make sure that our products are being treated fairly? And should we even care about a positive trade balance? Sure, you open up the doors, but what has happened to us, as my colleagues brilliantly pointed out, is the balance of trade has flipped, and where we used to be predominant and we sent more exports than we took in imports, we see a reverse. We now have negative numbers.

So I believe, again, in summing up, that we do have three choices: Free trade at any cost; see no evil; don't tell me about the problems; no trade at any cost; don't tell me about the good parts of trade; and the middle course that my colleagues are taking, which is fair trade. Yes, trade is crucial, it is important. We are part of one world, but we in the U.S. Senate who care about values and American jobs and an American environment, who care about clean and safe food, who want food safety laws in place, also want to have an opportunity to alter or amend trade agreements as we deem appropriate and necessary.

Thank you very much.

The PRESIDING OFFICER (Mr. ALLARD). The Senator's additional time has expired.

Mr. HAGEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Mr. President, thank you. I yield myself 4½ minutes.

The PRESIDING OFFICER. The Senator is recognized for 4½ minutes.

Mr. HAGEL. Mr. President, today the United States is unilaterally disarmed in the intense global competition for new markets. For the first time since 1974, the President lacks fast-track authority to negotiate agreements that would help open up new markets and reduce international barriers to U.S. exports.

This failure means slower economic growth, lost markets overseas, and fewer opportunities for high-paying jobs. Fast-track authority allows the President to submit to Congress a clean vote on trade agreements negotiated with other countries.

Under our Constitution, the Congress alone has the power to ''lay and collect . . . Duties'' and ''To regulate Commerce with foreign Nations. . .''

The Constitution, however, uniquely empowers the President to send and receive ambassadors and negotiate with foreign powers. Over 20 years ago, the fast-track mechanism was created to accommodate this divided authority. Renewal of fast-track authority will enable our Nation to continue pressing for world economic systems based on free markets, free trade and free people.

As a nation, the continued growth of our economy depends on trade. In the past 50 years, trade share of the world's gross domestic product grew from 7 percent to 21 percent. Today, trade makes up 24 percent of the U.S. economy.

This decade, export growth has created 23 percent of all new U.S. jobs, and those export-related jobs pay 13 percent more than the national average.

Clearly, our economy will suffer without the ability to continue to negotiate timely new agreements to further open foreign markets to U.S. goods, commodities and services.

Those opposed to renewing the President's fast-track authority argue that the lack of such authority does nothing to hinder the President's ability to negotiate new trade agreements. Unfortunately, this is not the case.

No nation will enter into a major new trade negotiation with the United States if the product of those negotiations can be picked apart in the U.S. Congress. With any agreement that can later be unilaterally changed or amended by the Congress, we run the risk of having no agreement at all.

As long as the President lacks the ability to present such agreements to the Congress for our clean approval or disapproval—and bad agreements deserve to be defeated—our Nation will be endangering its ability to compete in today's competitive global economy.

Our Nation should be working aggressively to reach new agreements that will expand free trade and open up the emerging economies of Asia, Latin America, Eastern Europe to American exports. We should be building on the major achievements of the last global trade talks. These talks, the Uruguay round of the General Agreement on Tariffs and Trade, for the first time, established rules for services and agriculture goods, two areas where the United States leads the world in global competitiveness.

Instead, the United States is losing opportunities for economic growth and job creation. It is time to do what is right for American workers, farmers, ranchers, and businesses. It is time to restore fast-track negotiating authority for the President.

I hope that my colleagues take a good look at this and do support fast-track authority for the President.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Could the Chair inform me of the circumstances with time remaining?

The PRESIDING OFFICER. The Senator from North Dakota controls the time from now until 4:15; and then at 4:15, the Senator from Delaware will control the last 5 minutes.

Mr. DORGAN. Mr. President, let me then use the remainder of my time and begin by quoting from a letter written by Mr. Kevin Kearns, the president of the United States Business and Industrial Council. I ask unanimous consent that it be printed in the RECORD.

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

UNITED STATES BUSINESS AND INDUSTRIAL COUNCIL,
Washington, DC, November 5, 1997.

Hon. BYRON L. DORGAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR DORGAN: I understand that Members of Congress will be lobbied intensively over the next several days by Chief Executive Officers of major multinational corporations belonging to The Business Roundtable as part of their campaign to pass the fast track trade bill.

I am writing to emphasize to you and to other Members of Congress that these companies do not speak for the entire American business community. Far from it. In fact, they represent only the tiny handful of giant multinational firms that have monopolized the benefits of current trade policy, and that now seek to further extend their advantages at the expense of smaller American companies and their employees. Over the last two decades these large multinational companies have done much more to send good jobs and valuable technologies overseas than to create them here at home.

In fact—and I find this quite ironic—many of these large multinationals no longer consider themselves American corporations. Their CEOs make this point openly and proudly. One therefore wonders what business they have lobbying the U.S. Congress at all, since they are apparently not American corporate citizens but citizens of the world. Perhaps they should be up in New York lobbying the United Nations rather than in Washington lobbying the U.S. Congress. In fact, the first question Members of Congress should ask them during their lobbying visits is, ''Do you represent an American company?''

I can assure you that the 1,500 members of the U.S. Business and Industrial Council are American-owned and managed companies. They typify the vast majority of American businesses that have been impacted negatively by U.S. trade policy. Since they are run day in and day out by their owners, many are not large enough to, nor are they interested in, moving the bulk of their manufacturing overseas. They are interested, however, in preserving the American manufacturing base and in creating additional wealth for themselves, their employees, and their communities here in the United States.

Some have been victimized by predatory foreign trade practices such as dumping and subsidization—and by the U.S. Government's neglect of their problems. Still others find themselves under pressure to cut wages and benefits in response to the slave-labor wage rates or adversarial practices of foreign competitors. Many that are engaged in international trade have been pressured by foreign governments to source abroad or to transfer key technologies as the price of doing business in that foreign country.

But most important, they have been hurt—as have most of our citizens—by years of poorly run trade policies that have given us massive, growing trade deficits year after year. These deficits, in turn, cut the U.S. economic growth rate significantly—by as much as 2 percentage points in recent years.

The Census Bureau's latest figures show dramatically just how few American companies have profited from recent trade agreements. At last count, only 6 percent of the nation's 690,000 manufacturers exported at all, and the percentages are much lower for service companies. Large companies—with 500 or more workers—accounted for fully 71 percent of export value, even though these firms comprised only 4 percent of total exporters. And fully 11 percent of U.S. exports were generated by just four individual companies.

Yet despite this domination of trade flows by the big multinationals, these firms have not created a single net new American job in some 25 years. Another way of looking at job creation is this: all the net new employment in the U.S. economy in recent years has been created by companies with fewer than 100 employees—the overwhelming majority of which do not export at all. Although fast track proponents tout the job-creating benefits of international trade, those jobs on a net basis are not being created in the United States.

USBIC's members and their counterparts don't have plush Washington offices. They do not maintain large public relations staffs. They can't hire expensive lobbyists, and they're too busy running their companies to jet in and out of the nation's capital themselves, like the corporate elite. All these owner-operators do is try to turn a profit, support their families, create jobs, and help sustain the local communities they have been a part of for generations. In opposing fast track, they are acting first not as business interests but as citizens dismayed at the nationwide cost of 25 years of falling living standards and rapidly growing income inequality. They are well aware that these latter two facts of modern American life cannot promote a stable business environment or a stable country over the longer run.

These businessmen understand that the nation urgently needs a new trade and international economic strategy that lifts incomes, strengthens families and communities, allows entrepreneurs to make a profit here at home, and ensures America's future prosperity. They strongly oppose fast track renewal, and hope that members of Congress will distinguish the special interests of the multinational corporations from this overriding national interest.

Please feel free to have Members or their staffs contact us directly for the small and mid-size business point of view on fast track. We will be pleased to try to answer any questions promptly and forthrightly.

Sincerely,

KEVIN L. KEARNS,
President.

Mr. DORGAN. Mr. President, let me quote from this letter. I will not read it all, but, Mr. Kearns, who heads an organization called the United States Business and Industrial Council says:

> I can assure you that the 1,500 members of the U.S. Business and Industrial Council are American-owned and managed companies. They typify the vast majority of American businesses that have been impacted negatively by U.S. trade policy. Since they are run day in and day out by their owners, many are not large enough to, nor are they interested in, moving the bulk of their manufacturing overseas. They are interested, however, in preserving the American manufacturing base and in creating additional wealth for themselves, their employees, and their communities here in the United States.
>
> Some have been victimized by predatory foreign trade practices such as dumping and subsidization—and by the U.S. Government's neglect of these problems. Still others find themselves under pressure to cut wages and benefits in response to the slave-labor wage rates or adversarial practices of foreign competitors. Many that are engaged in international trade have been pressured by foreign governments to source abroad or to transfer key technologies as the price of doing business in that foreign country.

And then he goes on in his letter. Let me read the conclusion:

> USBIC's [the Business and Industrial Council] members and their counterparts don't have plush Washington offices.

He is pointing out the large number of CEOs who have flown into Washington to lobby on behalf of fast track. He said:

> [Our businesses] don't have plush Washington offices. They do not maintain large public relations staffs. They can't hire expensive lobbyists, and they're too busy running their companies to jet in and out of the nation's capital themselves, like the corporate elite. All these owner-operators do is try to turn a profit, support their families, create jobs, and help sustain [their] local communities they have been a part of for generations. In opposing fast track, they are acting first not as business interests but as citizens dismayed at the nationwide cost of 25 years of falling living standards and rapidly growing income inequality. They are well aware that these latter two facts of modern American life cannot promote a stable business environment or a stable country over the longer run.

Mr. President, this has been a rather interesting discussion. I listened to much of the debate with great interest. As I mentioned, there have been a number of, I think, good presentations today. I do say that there are differences of opinion that are very substantial.

There are some who think that the current trade strategy is just fine, and that it works very smartly. They think it is a wonderful thing for our country, and we just need to do more of it. That is the group that says, ''Let us pass fast track. If we don't, somehow America is headed for trouble. But things are going fine. We like the way things are. Our trade policy works. Let's continue it.''

Others of us think that swollen and bloated trade deficits, that reach record levels year after year, are heading this country toward trouble.

General Custer, incidentally, lived for 2 years near Bismarck, ND, before he left for what is now Montana to meet Sitting Bull and Chief Crazy Horse. And because I am from North Dakota, we know a great deal about the history of that campaign.

We know by reading the book, ''Son of Morning Star,'' for example, that General Custer sent his scouts ahead to try to figure out what was ahead of him. And the scouts really reported, ''Gee, things look pretty good. Things are going pretty well here. Things look pretty good around the next hill or the next bend.''

Of course, we now know from historical accounts things really did not go very well for General Custer and the 7th Cavalry. I find today an interesting group of colleagues who might well qualify for that scouting assignment. ''Things are going pretty good. The road up ahead looks pretty bright. If we just keep doing what we're doing, our country is going to be just fine.''

I have observed, during other discussions, especially in fiscal policy, people came to the floor of the Senate and said, ''Let's run things like you would run a business.'' I would ask my colleagues this: After hours and hours of

debate about trade, is there anyone here who would stand up and tell me, if you ran a business the way this country runs its trade policy that you would be doing fine? Wouldn't everybody in this Chamber understand and agree that if you ran a business the way this country is running its trade policy, you would be broke?

How many CEO's would go to their boardrooms and say, ''Listen, I would like to have a talk with you. I want to talk about our receipts. I want to talk about all the sales we have and all the money that is coming in.'' And the board says, ''Well, that's fine, Mr. CEO or Mrs. CEO, but could you tell us a little about your expenditures?''

The CEO knows the expenditures far exceed the receipts, but the CEO says, ''No, no, we're not going to talk about expenditures. Are you crazy? We're going to talk about receipts. We're going to talk about how well I'm doing.''

That is the message we have been hearing out here on the floor of the Senate for hours. ''Gee, look how well we're doing. Look at these exports. Look at these exports, sales.'' They are ignoring, of course, the massive quantity of imports coming in, displacing American manufacturing capacity in this country, and putting us in a swollen and mushrooming trade deficit situation, that if judged as a business would render us unable to continue. And yet we have people say, ''Gee, this is going just fine. This is just the right road for us.''

It is not the right road for us. The right road isn't protectionism. The right road isn't to put walls around our country. The right road isn't to retreat from the global economy.

But the right road is to insist in this country that we have some courage to stand up and tell, yes, the Japanese and the Chinese and the Mexicans and the Canadians, and so many others, that we expect and demand more of you. We expect fair trade.

Is there someone in this Chamber who wants to stand up and tell us they are opposed to fair trade? Does that person exist? Is there someone willing to do that? Who here is opposed to fair trade? Maybe I need to ask it when more Members are present in the Chamber. But is there someone who will say, ''No. Me, I'm opposed to fair trade.'' I don't think so. I don't think there is one person in this Chamber who will volunteer to say, on behalf of their constituents, they oppose fair trade.

Why then do they insist that those of us who believe that we ought to expect fair trade in our trade relationships, why do they insist that somehow we don't act in the best interests of this country and in the best interests of this country's future economy? I do not understand that.

With respect to whether it would be Japan or China, or many other trading partners, who are worthy partners and good trading partners of ours, it would seem to me to be in this country's best interests to say to those countries, which expect a balance in trade that is a fair balance, ''You cannot run $50 billion, $60 billion a year, every year, in trade deficits with us.''

Now, they will continue to do it as long as we allow them. You can only expect that someplace in these other countries those folks are sitting around saying, ''We don't understand why they let us keep doing this, but it's a wonderful thing. It strengthens us and weakens them.'' They would say that I presume. Because when they have big surpluses with us, we become a cash cow for their hard currency needs and it weakens our country.

They must surely be puzzled why no one in this country has the nerve and the will to say, ''Stop it. We won't allow that. We won't allow these huge trade imbalances. We expect and demand, not only reciprocal trading opportunities with you, open markets from you, but we demand some reasonable balance of trade.''

Now, we were told just a few minutes ago that the reason we had a trade deficit is because we had a budget deficit. Simple, except that does not work. Our budget deficit is going way down, and our trade deficit is going way up. I know that is what they used to teach in economics. I used to teach economics. As I said this morning, I overcame that experience.

But as the budget deficit has been going way down; the trade deficit is going way up. So how does it work then with those who have been claiming now for years that we simply have a trade deficit as a matter of calculation because we have had a fiscal policy deficit?

Stephen Goldfeld once said that, ''An economist is someone who sees something working in practice and then asks whether it can work in theory.''

Can we fail to observe here that the budget deficits are going down, way down. They are down 5 years in a row, but the trade deficit is going up? Can we fail to notice that or fail to explain it? Or do we simply cling to the same tired economic doctrine about trade that has been proven wrong?

When I was a young boy, I had a neighbor who was a retired person. His name was Herman. And Herman used to order everything through the mail that he could get that promised him one thing or another. Now Herman had rheumatism. And I went over to Herman's one day, and he was sitting there with a box that was plugged into the wall with a cord. It was a wooden box with some wires leading to two metal handles. And he explained that he had purchased this from a catalog because it was supposed to cure his rheumatism. He was sitting in his chair there holding on to these handles. He held on to them for 6 or 8 months, I guess. It did nothing to help him with his rheumatism, but that was a box he bought because that he thought it would deal with his rheumatism.

We have a lot of folks around here sitting with those metal handles because someone claimed that this trade strategy we have works. All the evidence suggests it does not.

One of these days, one way or another, we ought to take a look at the evidence and decide when something doesn't work you ought to change it.

The first law of holes is that when you are in a hole, you might want to stop the digging. When you see trade deficit after trade deficit, year after year, that reaches record levels—and this year the merchandise trade deficit will be very close to $200 billion—it is fair for us to ask on the floor of the Senate, does this trade policy work? Is this trade policy in the best interests of this country? Or can we, with more nerve, will, and courage, stand up for the economic interests of this country and demand and expect more of our trading partners, more in the manner of policies that will benefit and strengthen this country?

Mr. President, I have consumed my time. The Senator from Delaware and the Senator from New York have both been courteous during this discussion. And we have had the opportunity to have a lengthy and, I think, good debate. And more will follow. We will have a vote on the motion to proceed, at which point, if that prevails, we will be on the bill itself. And those of us who care a great deal about this will be, at that point, allowed to continue.

Mr. President, I yield the floor.

Mr. ROTH. Mr. President, at the outset of this debate I set out my reasons for supporting fast-track authority. Having heard the debate and the point made by my esteemed colleagues, I want to distill what, I believe today, our vote is about.

First, I submit that the question before this body is whether we will shape our own economic future or leave our fate in the hands of others. We must decide whether we will allow the President to take a seat at the negotiating table or force him to stand outside the room while others write the rules for the international economy.

A vote for fast track is a vote for a brighter American future. Toward that end, this bill arms the President with the authority to open foreign markets and allow our firms to do what they do better than anywhere else on Earth: That is, compete.

Second, the making of trade policy must be a full partnership between Congress and the President. The bill before this House ensures that Congress is, in fact, a full partner in the process. Indeed, it is difficult to concede of any other measure where we subject the President's action to such scrutiny and constraints. The bill requires the President to notify us in advance of his intent to make use of this authority. He must then consult prior to and throughout the negotiations up to and including comprehensive consultations immediately before initialing an agreement. If the agreement is

signed, we then proceed to develop the implementing legislation in consultation with the President.

After all that, Congress still exercises a veto over the President's action by voting on the agreement and implementing bill. Those conditions are necessary to ensure the President fulfills the objectives set by Congress. They are also needed to ensure that Congress and the President do, in fact, speak with one voice on trade matters.

I firmly believe that bill strengthens the role of Congress and the trade agreements process to an unprecedented extent and lets our trading partners know that the President is answerable to Congress for any agreement he may reach.

Third, laying the foundation for our economic future will require a partnership here in Congress, as well. We will not make progress toward our common goal of providing for America's economic future without strong bipartisan support for our trade policy.

I was extremely heartened by the vote yesterday and expect to see the same bipartisan support for the motion under consideration and for the bill itself. At the same time, the debate identified important issues that must be fully examined in order to sustain that bipartisan future.

As chairman of the Finance Committee, I intend to ensure that the committee addresses those issues of critical importance to the well-being of every American. I look forward to working with my colleagues toward this end. Nonetheless, I believe we must take the first step now to exert the leadership on trade that only the United States can provide. The President must have fast-track negotiating authority. I urge my colleagues strongly to support the motion to proceed.

Mr. MOYNIHAN. Mr. President, I rise simply to affirm in the strongest terms that the chairman of the Senate Finance Committee has been faithful to his duties. He has kept a committee united, minus one vote, in an otherwise unanimous decision. He has been meticulous in his concern that American workers will have their interests pursued here, the environment will be looked after, but ladening these matters on trade negotiations will only ensure they will fail and not bring the benefits we desire.

I want to congratulate him. We cannot do any better than we did yesterday, but let's hope we do as well.

Mr. ROTH. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to proceed to S. 1269, the Reciprocal Trade Agreements Act of 1997.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Alaska [Mr. STEVENS] is necessary absent.

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

The result was announced—yeas 68, nays 31, as follows:

[Rollcall Vote No. 294 Leg.]

YEAS—68

Abraham	Dodd	Lautenberg
Akaka	Domenici	Leahy
Allard	Frist	Lieberman
Ashcroft	Glenn	Lott
Baucus	Gorton	Lugar
Bennett	Graham	Mack
Biden	Gramm	McCain
Bingaman	Grams	McConnell
Bond	Grassley	Moynihan
Breaux	Gregg	Murkowski
Brownback	Hagel	Murray
Bryan	Hatch	Nickles
Bumpers	Hutchinson	Robb
Chafee	Hutchison	Roberts
Cleland	Inouye	Rockefeller
Coats	Jeffords	Roth
Cochran	Johnson	Santorum
Collins	Kempthorne	Smith (OR)
Coverdell	Kerrey	Thomas
Craig	Kerry	Thompson
D'Amato	Kohl	Warner
Daschle	Kyl	Wyden
DeWine	Landrieu	

NAYS—31

Boxer	Ford	Sarbanes
Burns	Harkin	Sessions
Byrd	Helms	Shelby
Campbell	Hollings	Smith (NH)
Conrad	Inhofe	Snowe
Dorgan	Kennedy	Specter
Durbin	Levin	Thurmond
Enzi	Mikulski	Torricelli
Faircloth	Moseley-Braun	Wellstone
Feingold	Reed	
Feinstein	Reid	

NOT VOTING—1

Stevens

The motion was agreed to.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. NICKLES. Mr. President, first, I wish to compliment Senator ROTH and Senator MOYNIHAN for their leadership on this very important issue on fast track.

I will announce—I think it has been disclosed to both sides—that will be the last rollcall vote today.

MORNING BUSINESS

Mr. NICKLES. Mr. President, I ask unanimous consent that there now be a period of morning business until the hour of 6 p.m. with Senators permitted to speak for up to 10 minutes each, with Senator GORTON permitted to speak for 15 minutes.

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

SENATOR WAYNE ALLARD: RECIPIENT OF THE GOLDEN GAVEL AWARD

Mr. NICKLES. Mr. President, it is a longstanding tradition in the Senate to recognize and honor those Senators who serve as Presiding Officers of the Senate for 100 hours in a single session of Congress. Today, we add to the list of Golden Gavel recipients Senator ALLARD of Colorado, whose presiding hours total 100 hours today.

November 5 is a very significant date for Senator ALLARD and his family, as on November 5, 1996, 1 year ago today, Senator ALLARD was elected to the U.S. Senate. Therefore, it is an appropriate date to recognize his contributions as a Presiding Officer of the Senate.

With respect to presiding, Senator ALLARD has been extremely generous with his time and has often rearranged his schedule at a moment's notice—and, I might add, with the assistance of his very courteous staff—to assist in presiding when difficulties arise. As a Presiding Officer, his dedication and dependability are to be commended. It is a great pleasure to announce Senator WAYNE ALLARD of Colorado as recipient of the Senate's Golden Gavel Award.

My compliments to my friend, my colleague, and the Presiding Officer.

The PRESIDING OFFICER. Thank you.

(Applause, Senators rising.)

ORDER OF PROCEDURE

Mr. NICKLES. Mr. President, for the information of all Senators, we will now have a period of morning business until the hour of 6 p.m. with Senators to be allowed to speak for up to 10 minutes each.

Mr. DORGAN. Will the Senator yield for a question?

Mr. NICKLES. Yes.

Mr. DORGAN. Mr. President, I wonder if the Senator from Oklahoma could inform us of the unanimous-consent request that affects business on the floor of the Senate tomorrow. My understanding is the pending unanimous consent request deals with the DOD authorization bill. The reason I ask the question is I am interested in learning when we will come back to the regular order, which will be the fast-track consideration of the fast-track proposal.

Mr. NICKLES. To respond to my colleague, the Senate has already agreed to a unanimous-consent request that would call for the DOD authorization bill to be voted on tomorrow at some time, at 2 p.m. I think the order calls for 4 hours of debate. We will go on it at 10, and vote at 2.

That is on the DOD conference report.

Beyond that, I am not prepared to tell my colleague what—I know the House is planning on voting on the fast-track authorization on Friday. There is some discussion that since that is a House bill and we are working on the Senate bill, we might entertain taking up the House bill when it passes so we wouldn't be working on two different bills.

Mr. DORGAN. If the Senator will yield further, my understanding is the

motion to proceed prevailed by the most recent vote, and the result is now the regular order of the Senate would be the fast-track legislation. The Senator asked unanimous consent to go to morning business. I didn't object to that. We also have a unanimous consent for tomorrow's proceedings dealing with DOD authorization. At that point, does the Senator expect to go back to the legislation pending, or can the Senator inform us whether he will be propounding additional unanimous-consent requests with respect to Senate business?

Mr. NICKLES. To respond to my friend and colleague, I think the next order, after we pass the DOD authorization bill, would be to take up the District of Columbia appropriations conference report, or appropriations bill. In addition to that, we may well be taking up Amtrak reform legislation, which has also been working its way through, not exactly on a fast track, but it has been working its way through, and hopefully we can get it done as well.

Mr. DORGAN. When does the Senator expect us to get back to the fast-track legislation?

Mr. NICKLES. That remains to be seen. That is really Senator LOTT's call. It may well be Thursday. It may well be Friday. It may well be after the House would take it up.

Mr. DORGAN. Further inquiry. I will appreciate the Senator's response.

As I understand it, conference reports are privileged matters.

Mr. NICKLES. That is correct.

Mr. DORGAN. They can be brought to the floor of the Senate at any time. Amtrak and other intervening legislation will require unanimous consent, is that correct?

Mr. NICKLES. I would have to ask the Presiding Officer on Amtrak. My colleague is correct on the conference reports on appropriations bills. Yes, they could.

We have four appropriations bills that we are trying to get through. It happens to be that we are at a deadline by November 7, so our highest priority is try to complete the various authorization bills.

Mr. DORGAN. If I might just inquire further, the reason I ask the question is that because we are on the legislation dealing with fast track, there are a number of Senators who will be wanting to offer amendments. It will not be a pleasant experience to learn that we move to other things and then come back to fast track with some understanding there is no time for amendments. I am just inquiring to try to determine what the expectation of the leadership is with respect to the fast-track legislation.

Mr. KERRY. Mr. President, would the acting leader yield for a minute?

Mr. NICKLES. First, let me respond to my colleague, Senator DORGAN. I hear what the Senator is saying. I know that the Senator has some amendments he wishes to offer on fast track. I know that we wish to pass fast track. We also wish to pass Amtrak reform and we also wish to pass all the appropriations bills, and we only have a couple of days. So we are going to try to accommodate everybody's requests. But the highest priority I believe will be to pass the appropriations conference reports as soon as possible. I believe the D.C. bill will be the first one up. That is not a conference report. It is a bill. But I think we have an agreement on D.C., so we will get that one accomplished. Hopefully then we will have three other conference reports we will be able to do in the next day or two, and we will have, I am sure, some additional time for my colleague to spend on fast track as well.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Chair recognizes the distinguished Senator from Massachusetts.

Mr. KERRY. Mr. President, if I might share with my friend from North Dakota information with respect to at least Amtrak. We have an agreement now reached with respect to Amtrak. The language is now in print, and I believe it is being hotlined on both sides.

So with respect to the Amtrak effort in terms of any interruption, we would anticipate that going through here in a minimal amount of time. I am not sure how much the chairman of the committee, Senator MCCAIN, wants, but I would not imagine it will take more than half an hour or so. And so I do not think that will interrupt the course of business with respect to fast track in any significant way.

Mr. DORGAN. If the Senator will yield, an agreement on Amtrak would be welcome news I think to all Members of the Senate, and it would not be my intention to try to obstruct that. I am simply trying to determine when we might get back to fast track so that we might entertain amendments.

NOMINATION OF BILL LANN LEE TO BE ASSISTANT ATTORNEY GENERAL FOR CIVIL RIGHTS

Mr. THURMOND. Mr. President, I rise today to express my opposition to the nomination of Bill Lann Lee to be Assistant Attorney General for Civil Rights. I have reached this conclusion only after much thought and careful consideration. But I am certain that this is the right course. I commend Senator HATCH for his leadership and the excellent statement he delivered on the floor yesterday in this regard.

When the possibility that Mr. Lee would be nominated for this position was first brought to my attention, I was impressed by what I heard. Mr. Lee was born to a hard-working, determined family of Chinese immigrants. His success at Yale and Columbia University Law School reflects that he inherited a commitment to succeed. I was also assured then, and continue to believe, that he is a man of character, honesty, and intellect. I relayed that impression to the White House.

After Mr. Lee was nominated, I met with him and made clear that I had an open mind regarding his nomination. I told him that his positions on the issues would be critical, and that the committee was eager to hear his answers to questions.

Before the hearing, some expressed alarm at many of the cases and positions that Mr. Lee had taken during his leadership in activist civil rights organizations. They were concerned about whether he would use his job and army of attorneys in the Justice Department to advance the same agenda he had pursued for the Legal Defense Fund. I understood this. But, at the same time, I have known since my days as a small town lawyer that a good attorney is a strong advocate for his client, regardless of whether he agrees with everything the client wants.

Mr. Lee had an obligation to convince us at the hearing that he could transfer from the role of creative advocate for activist civil rights organizations to neutral and objective enforcer of the Nation's civil rights laws. This he failed to do. He would not give any cases or positions that he had brought on behalf of the Legal Defense Fund that he would not bring as head of the Civil Rights Division. He would not cite any difference between himself and the last civil rights chief, Deval Patrick, who was an unwavering proponent of the civil rights agenda of the left. Unfortunately, it became clear during the hearing that Mr. Lee's advocacy is guided by a dedicated personal commitment to the positions he has advanced over the years.

Mr. Lee started by proclaiming that proposition 209 is unconstitutional. In proposition 209, the people of California voted to end all government preferences and set-asides on the basis of race, sex, or national origin. Then, with the active support of Mr. Lee and his organization, a Federal judge blocked the will of the people, saying the referendum was unconstitutional. The claim was that proposition 209 violated the 14th amendment, when in reality it mirrored the 14th amendment. Far from violating the Constitution, proposition 209 essentially states what the Constitution requires. The Ninth Circuit recognized this simple fact on appeal. Regardless, Mr. Lee is steadfast in his view that it was unconstitutional for the people of California to bring preferences to an end.

Another disturbing but related issue involves judicial taxation. I firmly believe that Federal judges do not have the Constitutional power to raises taxes or order legislative authorities to raise taxes. It is a simple issue of separation of powers. Taxes are a matter for the legislative branch, the branch that is responsive to the people. The organization for which Mr. Lee works was instrumental in the decision of a Federal judge in Missouri to order that taxes be raised. Mr. Lee would not disavow this approach. Although he stated that if confirmed he would not ask

a Federal judge to order a legislative authority to raise taxes in the school desegregation context, he refused to rule out such a request in other civil rights contexts. He fails to recognize that fundamental principles of separation of powers prohibit judicial taxation.

Mr. Lee's views on proposition 209 and judicial taxation represent support for a dangerous tactic of legal activists. They use the unelected, unaccountable Federal judiciary to accomplish what they cannot achieve through the democratic process. When they lost at the ballot box on proposition 209, they got a lone Federal judge to block the will of the people. When they wanted to implement their lavish desegregation experiment in Missouri, they got a lone Federal judge to raise taxes. They have pursued their solutions in utter disregard of the people.

Today, Mr. Lee and his allies are failing to find support even in the courts. The Federal judiciary, led by the Supreme Court, is fashioning a civil rights jurisprudence based on the merit of the individual rather than preferential treatment for groups. Mr. Lee has fought against and continues to be uneasy with this constructive, solidifying law. It is clear that he would use his position and arsenal of attorneys to dilute or circumvent this progress toward ending preferential treatment.

An excellent example of the failed approach of the past is forced busing of school children. At the hearing, Mr. Lee continued to express support for the use of forced busing in some circumstances, even in the 1990's. He would not back away from his unbelievable assertion in a Supreme Court brief that ''the term 'forced busing' is a misnomer.''

Mr. President, many of us in the Senate are concerned about judicial activism on the bench, and we have every reason to be. We must keep in mind that a judicial activist decision starts with a proposal by a legal activist. We cannot and should not stop private organizations from advocating legal activism if they wish. However, we have a duty to reject legal activism as the guiding principle for our Nation's top civil rights law enforcement officer.

I must strongly oppose this nomination.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I rise today to express my deep dissatisfaction with the misguided views of President Clinton's nominee for Assistant Attorney General for Civil Rights.

As many of my colleagues have made clear, Mr. Lee is a fine man, with accomplished legal credentials. His story of hard work and success is truly inspiring. But, Mr. President, the position of Assistant Attorney General for Civil Rights should not be filled based on an inspiring story, but rather, on a nominee's commitment to the bedrock principle that every American should be seen as equal in the eyes of the law.

The nomination of Bill Lann Lee is in serious peril, and for good reason. Mr. Lee has a long, well-documented, and disturbing allegiance to the policy of government-mandated racial preferences. In spite of the Constitution and recent court decisions, Mr. Lee continues to assert that government jobs and contracts should be handed out based on the immutable traits of race and gender.

Mr. Lee's views, however, go one giant leap beyond simply allowing racial preferences. Mr. lee has argued that the Constitution, in fact, requires racial preferences. Let me restate that. Bill Lann Lee has filed papers in Federal court asserting that the very Constitution which prohibits discrimination based on race and gender, in fact, requires the government to engage in discrimination based on race and gender.

As absurd as this theory sounds that is what Bill Lann Lee argued in court briefs this year as he fought the will of the California voters in proposition 209. Thankfully, the Ninth Circuit Court of Appeals unanimously rejected the Lee theory. In simple, straightforward language, the court explained, ''the 14th Amendment, lest we lose sight of the forest for the trees, does not require what it barely permits.''

And, as expected, the Supreme Court this week refused to validate the Lee theory and allowed the ninth circuit ruling to stand.

THE CONSTITUTION DOES NOT REQUIRE DISCRIMINATION

Throughout Mr. Lee's lifetime of advocacy, he has consistently overlooked one profound point, that is: Every time the government hands out a job or a contract to one person based on race or gender, it discriminates against another person based on race or gender.

Mr. Michael Cornelius recently spoke poignantly to this point before the Constitution Subcommittee in the House of Representatives. He explained that his firm was denied a Government contract under ISTEA, even though his bid was $3 million lower than the nearest competitor. Mr. Cornelius' bid was rejected because the Government felt that the bid did not use enough minority or women-owned subcontractors.

If you think that's bad, think about this: The Cornelius bid proposed to subcontract 26.5 percent of the work to firms owned by minorities and women. Yet, 26.5 percent was not enough in the world of so-called goals and timetables that Mr. Lee thinks the Constitution requires. Mr. Lee's goals and timetables are more appropriately called quotas and set-asides.

You see, the Government took the contract away from Mr. Cornelius and awarded it to a bidder that proposed to contract 29 percent of the work to minority firms, and who charged the Government $3 million more than Mr. Cornelius.

And, unfortunately, it doesn't end there. When the Government denied the job to Mr. Cornelius, it also denied the job to all of Mr. Cornelius' employees—over 80 percent of whom are minorities.

So the Government, in its infinite wisdom, not only committed discrimination, but it paid $3 million in the process.

I have filed an amendment to ISTEA that would remove this pernicious practice of awarding jobs and contracts based on skin color. Racial preferences are discriminatory, unfair, and unconstitutional. This principle is being reaffirmed courtroom by courtroom, State by State all across this country.

But what does Mr. Lee think? Does he think the Constitution bars these kind of racial preferences? Absolutely not. So, I think it's fair to say that Mr. Lee's message to Mr. Cornelius is: ''Sorry about the discrimination against you, your family, and your employees. But, the Constitution requires it.''

JOINING THE CLINTON CORPS OF SOCIAL ENGINEERS

The Clinton administration is all too eager to add Mr. Lee to its army corps of social engineers. Civil rights lawyers like Norma Cantu and Judith Winston undoubtedly relish the opportunity to add a lawyer with the misguided views of Bill Lann Lee to their brigade.

Cantu and Winston, have helped lead the administration's battle against the courts and the Constitution. These lawyers, like Lee, have become skilled at establishing racial preferences behind the scenes through the jungle of Federal regulations and by way of the quiet camouflage of consent decrees.

Cantu and Winston, recently launched a politically motivated investigation of the University of California graduate schools. As you may remember, Mr. President, in 1995, the regents of the University of California voted to end heavy-handed racial preference policies in student admissions, opting instead to base admissions solely on merit. These policies had for years resulted in a two-tiered admissions system, by which students of preferred racial and ethnic backgrounds were admitted with inferior qualifications than those of other racial and ethnic backgrounds.

The regents recognized that this system embodied unconscionable discrimination which hurt not only those better-qualified applicants that were denied admission, including many Asian-American applicants who suffered severely under the preference policy, but it also hurt minority students who faced stigmatization as racial preference admittees.

Now, as a result of the regents' decision, the University of California will no longer punish or reward applicants based on their race, but will rely on widely accepted, long-standing admissions criteria that focus on individual achievements, such as grades, test scores, and life accomplishments.

Most Americans would applaud the regents for their prudent decision. But not Cantu and Winston. They are using their civil rights positions at the Department of Education to launch a Federal taxpayer-funded investigation to determine whether schools are discriminating by refusing to discriminate.

The Los Angeles Times reported that Winston has asserted that:

> The University of California may have violated federal civil rights law by dropping its affirmative action rules and relying on test scores and grades as a basis for selecting new students.

This baseless investigation turns the principle of nondiscrimination on its head by threatening schools that use race-blind admissions policies and objective measures of merit. This investigation has provoked criticism even from those who typically defend race preferences. For example, University of Texas Law School professor Samuel Issacharoff, recently stated that ''[Ms. Winston] is voicing a theory that does not have support in the courts.'' Professor Issacharoff went on to explain that he was ''not aware of any legal support for the idea that would say the Harvard Law School, for example, cannot accept only the cream of the crop if doing so would have an impact on a minority group.''

And in an editorial, the Sacramento Bee, a newspaper I might add that supports race preferences, referred to the administration's legal theory as ''an Orwellian misreading of the law.'' ''Equally important,'' the Bee concluded, ''the investigation is an abuse of federal power, designed to punish California and its citizens for [its] decision on affirmative action. * * *''

So where did this investigation originate? Who could muster the contorted legal arguments to justify these threats and these expenditures of taxpayer dollars?

Were these complaints filed by a student who alleged discrimination? A student organization? A family in California? No. I'll tell you who filed the complaint that launched this Federal investigation: Bill Lann Lee, as head of the Western Office of the NAACP Legal Defense and Education Fund.

And, it does not end there. The Labor Department has also joined the pile-on to punish California for its decision to push for a colorblind society. DOL is investigating the charge that U.C. graduate schools are committing employment discrimination against the minorities who are not accepted into U.C. graduate schools, and thus, not able to apply for campus jobs.

And where did this complaint originate? Again, it wasn't a student. It was Bill Lann Lee and his legal defense fund filing another complaint launching yet another federally funded investigation of race-neutral policies based on yet another legal theory that is outside the boundaries of both the Commission and the courts.

And, what is the administration's threatened sanction against the University of California for its race-neutral approach? The termination of hundreds of thousands of dollars in Federal funds.

And what does this pattern and practice tell us that Mr. Lee will do with an army of lawyers at the Justice Department? He will bring down the power of the Federal Government upon State and local governments that refuse to mandate racial preferences. This, Mr. President, is simply unacceptable.

Mr. Lee's views are neither moderate nor mainstream. And, his views are not isolated incidents. They are not glib, off-handed statements made during his youth. They are not dusty law review articles written by a starry-eyed graduate student. And, they are not creative theories espoused in the ivory tower of academia.

Mr. Lee's well-documented views are the voice of a man who exhibits an alarming allegiance to racial preferences and a disturbing disregard for the Constitution. This voice—this man—should not be entrusted with the noble task of upholding the equal protection clause of the U.S. Constitution.

Several days ago, I placed a hold on Mr. Lee's nomination, and today, I respectfully announce my formal opposition to his nomination. We must end the divisive practice of awarding Government jobs and contracts and opportunities based on the immutable trait of skin color and ethnicity. Respect for our Constitution, our courts, and—most importantly—our individual citizens, demands no less.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Kentucky for the excellent treatise he just made.

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. I thank the Chair.

(The remarks of Mr. AKAKA pertaining to the introduction of S. 1376 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. AKAKA. I yield the floor.

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Alabama.

NOMINATION OF BILL LANN LEE

Mr. SESSIONS. Mr. President, the position of Assistant Attorney General for Civil Rights is important to our Nation. The most important reason is what it signals about the direction the President plans to take on key civil rights issues of the day.

In my opinion, this Nation is moving in the right direction on civil rights. We have gone through a turbulent period where legal segregation has now been ended, and we are now ending a period during which the courts have used racial preferences and remedies to cure certain aspects of past discrimination.

While this procedure can be defended perhaps in the short run, particularly when it is directly attached to a specific prior discriminatory act, such a policy cannot be a part of a permanent legal and political system.

Our Supreme Court, which has led the drive to eliminate legal discrimination on a variety of fronts, is wisely taking a long-term view of the impact of racial preferences in America. After thoughtfully considering our future, the Supreme Court, in the Adarand case and in rejecting just this week the idea that California's civil rights initiative is unconstitutional and in other cases has clearly stated that this Nation must not establish a governmental system which attempts to allocate goods, services and wealth of this Nation on the basis of one's race, on the basis of the color of their skin. The result will be contrary to the equal protection clause of the great 14th amendment to our Constitution, and contrary to our goal of a unified America in which people are judged on the contents of their character and not on the color of their skin.

Mr. President, with regard to the nomination of Bill Lann Lee of California to be Assistant Attorney General for Civil Rights, I want to say with confidence that he is a skilled and able attorney, an honest man, a man who appears to have integrity and the kind of characteristics that make for a good attorney.

His entire career has been spent in skilled advocacy in the civil rights arena. He is a Columbia Law School graduate who could have practiced on Wall Street but chose public interest law instead, and he should be commended for that. Sadly, however, I must join the chairman of the Judiciary Committee, Senator Orrin HATCH, and the former chairman of that committee, Senator THURMOND, who is here tonight and just made an excellent series of comments on this issue, to announce my opposition to Mr. Lee. Simply put, Bill Lee, like President Clinton, is outside the mainstream of American civil rights law, the very laws he would be charged with enforcing.

While the American people and the Federal judiciary have steadily moved toward a color-blind ideal, Bill Lee has clung to a policy of racial preferences and spoils. Bill Lann Lee strongly advocates racial and gender preferences which are, in effect, virtually quotas in virtually every area of our society, including college admissions, congressional voting districts and employment.

I believe a nation that draws voting districts on the basis of race, that uses race as a factor in college admissions and hiring and promotion decisions is, in fact, destined to have unnecessary racial strife and hostility and it does not bind us together as a nation.

In my opinion, it would be unwise for the Senate to confirm Mr. Lee as Assistant Attorney General for Civil Rights. The Assistant Attorney General for Civil Rights is one of the most

important law enforcement positions in the Federal Government. If confirmed, Mr. Lee would have a powerful arsenal of more than 250 lawyers at his disposal.

After our hearings that I participated in and participated in his questioning, and after review of his record, I have concluded that Mr. Lee will continue to push for lawsuits, consent decrees and other legal actions that are outside the mainstream of current American legal thought. He sets the civil rights policy for the United States, and since his views are not in accord with the people, the Congress and the courts, he should not be confirmed in that position.

Let me give you several examples. Last fall, the people of California, after full debate, passed proposition 209, California's civil rights initiative, which simply prohibits the State from discriminating against or granting preferences to anyone on the basis of race or gender.

The very day after—he opposed that referendum—he lost that issue at the ballot box, Mr. Lee and his organization, the legal defense fund, filed suit arguing that proposition 209 was unconstitutional. This is a curious, even bizarre argument, because proposition 209 mirrors the language of the Civil Rights Act of 1964, one of the great civil rights acts that changed race relations in America. It also mirrors the 14th amendment.

Even the ninth circuit, the most liberal circuit in America, unanimously rejected Mr. Lee's position. Moreover, on request for a rehearing, the full ninth circuit voted to deny a rehearing en banc. But even the most liberal circuit—it is considered the most liberal circuit in the country—rejected Mr. Lee's argument that proposition 209, passed by the people of California to eliminate racial preferences, was unconstitutional. This is what the court said:

> As a matter of conventional equal protection analysis —

That is the 14th amendment, the equal protection clause they are referring to——

> As a matter of conventional equal protection analysis, there is simply no doubt that Proposition 209 is constitutional . . . After all, the goal of the Fourteenth Amendment to which this Nation continues to aspire, is a political system in which race no longer matters. The Fourteenth Amendment, lest we lose sight of the forest for the trees, does not require what it barely permits.

That means that the 14th amendment certainly does not require quotas and preferences and it certainly, if anything, will only permit them if they meet the strict test of scrutiny.

A lawsuit against proposition 209 is another example of those who, when they lose their issue at the ballot box, have taken to the habit of going to Federal courts to ask the courts to overrule the will of the people through the elected representatives or through the initiative process.

At his confirmation hearing, Lee again stated his odd argument that proposition 209 is unconstitutional. As Senator HATCH said, this is not an itty-bitty issue whether or not proposition 209 is constitutional.

This initiative was a good initiative, carefully drawn, fully considered by the people of California. And Mr. Lee continues to assert to this day that it is violative of the Constitution of the United States. This is not fair to California, and we should not subject this Nation to those kinds of views.

Not surprising, just this week the Supreme Court of the United States rejected his position on proposition 209 when it denied certiorari. It refused to review the ruling of the California court, the ninth circuit court, and held the ninth circuit opinion intact.

It is important to note, I think, for the Members of this body, that this is the position of President Clinton. He adheres to the same view about proposition 209 being unconstitutional. And his Justice Department joined the ACLU and Bill Lee's legal defense fund and filed an appeal arguing that 209 was unconstitutional. In effect, the President of the United States is asking the unelected judiciary to overrule the well-debated and well-considered initiative of the people of California.

So I think it is important for this body, as we consider this nomination, to consider what kind of message we are sending when we either confirm or reject Mr. Lee.

I think we need to send a message that this body stands with the people and the courts and not this strained view of proposition 209.

There are a couple of other examples that I think point out the position of Mr. Lee on racial preferences that indicate that he would not be a fit nominee for this position.

In recent years, the Supreme Court, in the Croson decision and the Adarand decision clearly held that racial preferences are unconstitutional. The Supreme Court now subjects all Government racial preferences to what is called strict judicial scrutiny. As you know, it is very difficult, Mr. President, for a government program to withstand strict scrutiny.

At his confirmation hearing however, Mr. Lee badly mischaracterized the spirit of these cases. He stated that the Croson and Adarand decisions stand for the proposition that ''affirmative action programs are appropriate if they are conducted in a limited and measured way.''

This is not the position that the Supreme Court stated in Adarand. It greatly undermines that important decision. And it would be unwise for this body to confirm a nominee who would not faithfully follow the Adarand decision.

As Senator HATCH, who chaired the committee, said so eloquently yesterday on the Senate floor, Bill Lee's description of Adarand purposely misses the mark of the Court's fundamental holding that such programs are presumptively unconstitutional.

Moreover, Bill Lann Lee testified in his confirmation hearings that he was opposed personally to the holding in Adarand. I asked him what his personal view was. He said he personally opposed that ruling. Senator John ASHCROFT asked Mr. Lee whether the set-aside program at issue in Adarand is unconstitutional, where a set-aside was given to a contractor simply because of their race or sex.

In response, Mr. Lee noted that the Supreme Court in Adarand had remanded the case to the district court, which promptly, by the way, ruled the program unconstitutional. And in so doing, the district court stated:

> I find it difficult to envisage a race-based classification that is narrowly tailored.

But despite the district court's strong holding, Lee, like the Clinton Department of Justice, continues to state and continues to believe that ''this program is sufficiently narrowly tailored to satisfy the strict scrutiny test.''

Mr. Lee simply refuses to accept the fact that strict scrutiny is an exceedingly difficult and high standard for a government agent to meet before it can establish racial preferences, that is, before it can give preferences to somebody for no other reason than their race.

Under Mr. Lee's interpretation, all of the approximately 160 Federal racial preference programs that now exist would continue to be constitutional, although most scholars would say that under the Adarand decision, many of them, if not most of them, would fail to meet constitutional muster.

So, Mr. Lee's interpretation of Croson and Adarand would make these seminal decisions virtually irrelevant. Almost any program could survive his definition of the strict scrutiny standard.

Mr. President, America needs an Assistant Attorney General for Civil Rights who will honestly, soberly, and accurately read and apply the law—even when he disagrees with it.

Unfortunately, as his confirmation hearing and followup answers indicate, he has been unable to shed his role as an activist, a partisan civil rights litigator. If confirmed, Lee would support the constitutionality of racial preferences and use his team of some 250 lawyers to further an agenda that is not in keeping with the current state of American law.

Let me talk about another example that is important for us to consider.

Forced busing. Mr. Lee sued extensively over the years on issues involving busing. And once, for example, in Brown versus Califano, in 1980, a Supreme Court case, Lee challenged the constitutionality of a congressionally passed statute, passed by this Senate and the House, that prohibited the Department of Health, Education, and Welfare from requiring States to bus children for racial purposes.

Of course, under the statute, States could adopt forced busing if they wanted, and the Federal courts could still order busing. The statute merely prohibited the Department of HEW from forcing States to bus children on its own motion.

In his brief challenging that law, Mr. Lee stated that the congressional amendments ''demonstrate discriminatory intent to interfere with desegregation.''

Of course, that is an unfounded and unfair charge to make. Many people—I know Senator BYRD, on the other side of the aisle, had led the fight for that statute. He was not trying to undue and return to segregation. He simply was concerned, as millions of Americans have been, that the experiment with busing was not working. And he did not want the Department of Education, on its own, requiring it, and since, as years have gone by, it has been well-recognized that the experiment with busing has not achieved the goals that were intended, and is, in essence, for all practical purposes, a failure.

Parents of all races oppose mandatory busing, and the law in Brown versus Califano reflected this. Again, the Federal courts rejected Lee's argument and upheld the statute. But that is just another example of where Mr. Lee has sued to implement a political agenda that he lost during the democratic process. That is, he lost it in the hearts and minds of the people and through their elected representatives. And he, therefore, sought to have the courts overturn that.

In another forced busing case, Mr. Lee wrote the following in his brief. This is what he wrote:

> The term ''forced busing'' is a misnomer. School districts do not force children to ride a bus, but only to arrive on time at their assigned schools.

I think many people feel that that is the kind of comment that shows arrogance and insensitivity to those who are concerned about children who have no way to go to school but by bus, to be told, ''Well, you don't have to ride a bus. You just have to show up at a certain school on time.''

In conclusion, Mr. President, America is at a crossroads in the civil rights debate. The American people believe overwhelmingly that government services and benefits should be administered in a color-blind fashion. As a nation we have made tremendous progress toward racial harmony, and though our work to eradicate racism is not finished and much bias and prejudice still exists in our land that we should not tolerate and should seek to eliminate, we should be proud of the great progress that has been made in the past 30 years.

Mr. President, it gives me no pleasure to announce this vote against Mr. Lee. He is an admirable person, a fine lawyer. Please make no mistake, my opposition to him is in no way an attack on his integrity and character. However, his positions, particularly his tendency to file lawsuits to promote his agenda and his misreading of Supreme Court precedents, simply make him the wrong person at the wrong time to be the Assistant Attorney General for Civil Rights.

I yield the floor.

Mr. THURMOND. Will the Senator yield?

Mr. SESSIONS. I do.

Mr. THURMOND. I wish to commend the able Senator from Alabama for the excellent remarks he has made on this subject.

Mr. SESSIONS. I thank the Senator from South Carolina for his leadership as chairman of the Judiciary Committee and his comments earlier this afternoon.

I yield the floor.

REACTION TO LEACH/MCKINNEY LOGGING PROPOSAL

Mr. GORTON. Mr. President, legislation was recently introduced in the House of Representatives that would ban all commercial logging on Federal lands. This legislation would be devastating not only for the Pacific Northwest, which is highly dependent on its forest products industries, but disastrous for the entire Nation as well.

I'm appalled. Let me state that the bill introduced by Representatives MCKINNEY, LEACH, MCDERMOTT, and others has absolutely no chance of passage. None. Yet, it's another confirmation of the radical nature of our opponents in this debate about managing our national resources. After years of talking about compromise and balance, it's clear by the introduction of this bill that their view is that one of our greatest renewable natural resources shouldn't be used for any constructive economic purpose. The sponsors of this bill are clearly indifferent to human costs and economic disruption this radical policy would impose on our Nation's economy, and particularly on our timber dependent communities.

Support for this bill—which I repeat, has no chance of passage—comes from the Sierra Club and other environmental organizations that earlier this year endorsed a policy of zero cut of timber on public lands. More recently, during debate on the Interior appropriations bill, many of these same groups supported an amendment substantially reducing the budget for Forest Service roads. Had these groups succeeded, the Federal Timber Sale Program, which already has been reduced by two-thirds over the past decade, would have been reduced by another 50 percent. This was clearly a tactic employed by radical environmental groups with the ultimate goal of eliminating all Federal timber harvests.

Proponents of a zero cut policy on Federal lands lead an effort to further erode the economic backbone of rural Americans. It is an effort by mostly urban environmentalists—armchair environmentalists—who have forgotten, or who never knew, what it takes to produce fiber and shelter, and are indifferent to the communities and jobs that produce these commodities.

Published reports about this legislation fail to mention that Federal timber sales are already in severe decline, primarily from the limitations placed on the Forest Service by the Clinton administration's environmental considerations and species protection efforts. In 1987, the Federal Timber Sale Program provided nearly 12 billion board feet of timber. Now, 10 years later, less than 4 billion board feet were sold. This translates to double-digit unemployment in Washington State's timber dependent communities. I cannot imagine how terrible it would be for these already depressed communities if timber harvests were banned on public lands.

For the record, I would like to note that 23 of Washington's 39 counties have been designated as ''distressed'' counties under State guidelines, meaning that their unemployment rates have been 20 percent above the State average for 3 years and median household incomes less than 75 percent of the State median. This is, to a great extent, the direct result of economic devastation in our timber dependent communities.

These are counties with towns like Port Angeles. A pulp mill closure in February resulted in about $17 million in direct payroll losses and hundreds of jobs. As I speak today, representatives from the Port Angeles community are hosting a summit for similarly distressed communities that are finding it hard to survive in an era of declining timber sales.

These areas of the State do not share the wealth of the booming Seattle economy. In 1996, 75 percent of the timber sold by the U.S. Forest Service was to small businesses. These small operations are predominately headquartered in rural areas; in places such as Forks, WA, where jobs and the community's stability are dependent upon the timber industry. These are communities struggling under existing environmental restrictions and species protection efforts. The recent House proposal would serve as a death blow to these struggling communities.

Proponents of the zero-cut scheme also erroneously claim it will benefit the Federal Treasury. Nothing could be further from the truth. Despite the fact that annual timber sale revenues dropped by over $462 million due to logging restrictions, the Forest Service Federal Timber Sale Program generates annual net revenues of $59 million to the U.S. Treasury.

In addition, due to declining timber harvests, imports of softwood lumber between 1992 and 1995 increased by 4 billion board feet. As a result, the average price of an 1,800 square foot new home has gone up $2,000. The environmentalists don't like to talk about the

inflationary results of their anti-timber campaigns—where is their righteous indignation when working Americans and families find it increasingly difficult to put a roof over their heads?

What is most disappointing in this debate is that news articles and extreme environmental organizations fail to mention the greatest loser if such a proposal was ever enacted: our public education system. Some 25 percent of the revenue from Federal timber sales goes directly to counties to be used for roads and schools. These counties rely on these Federal revenues. In addition to providing essential local services as schools and roads, these counties also provide direct and indirect services to national forests, national parks, wilderness areas, fish and wildlife refuges, and reclamation areas. Without some timber harvests in these financially-strapped counties, the public education of our children will suffer.

The argument that the only good harvest is no harvest at all overlooks the fact that up to 10,000 acres of Federal timber lands fall victim to forest fires every year. This does not even take into account the insect and disease outbreaks which ravage thousands of acres of public lands.

In 1994, devastating wildfires ravaged forests in Washington State. The fires were fueled by the excessive buildup on the forest floor. The forest floor was composed of dead, dying, insect infested, and diseased timber which had built up due to a lack of active management on Federal forest lands, including thinning and removal of insect-infested trees.

The health of our forests will deteriorate under the status quo, as dead and dying trees are left untouched.

Thinning, on the other hand will create a desired condition in which more trees will survive because of less competition for a limited amount of available moisture. By reducing natural fuel loads through thinning, removal of underbrush, and dead and dying trees, we will be creating a win-win situation in which our forests will be healthier and our mills will be stronger.

I think it is also important to note that as I heap scorn on the proposed legislation in the House and its supporters, we are beginning to see a rejection of this extreme approach by dedicated environmentalists who live in timber-dependent communities. Unlike their counterparts in Washington DC, and other urban areas who are busy turning out fundraising letters, these true conservationists send their children to the local schools, see the devastating impact of these radical policies on the local economy, and fear for their lives, livelihood, and homes due to the severe wildfire threat.

As a member of the Senate Energy and Natural Resources Committee, it was encouraging to see the progress that is being made at the local level in northeastern California. There, local environmentalists, timber workers, and public officials have crafted a reasonable land management plan that resores balance to our forests known as the Quincy Library Group approach.

Unlike this approach—a balanced, responsible approach to forest health and forest management—the zero-cut proposal introduced last week in the House does nothing more than carry out the agenda of extreme national environmental organizations. I urge moderate, responsible environmental organizations to join me in soundly defeating the proposal in the House and here, if and when the bill is ever brought before either chamber.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from Oklahoma is recognized.

Mr. NICKLES. I thank the Chair.

(The remarks of Mr. NICKLES pertaining to the submission of S. 1381 are located in today's RECORD under ''Submission of Concurrent and Senate Resolutions.'')

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

TRIBUTE TO REAR ADM. (SELECT) JAY M. COHEN, U.S. NAVY DEPUTY CHIEF OF LEGISLATIVE AFFAIRS

Mr. LOTT. Mr. President, I wish to take this opportunity to recognize and say farewell to an outstanding naval officer and good friend, Rear Adm. (select) Jay M. Cohen. For the past 4½ years, Rear Admiral (select) Cohen has served with distinction as the Navy's Deputy Chief of Legislative Affairs, and it is my privilege to recognize his many accomplishments and to commend him for the superb service he has provided this legislative body, the Navy, and the Nation.

A native of New York City, Rear Admiral (select) Cohen was commissioned as an ensign upon graduation from the U.S. Naval Academy in 1968. Since then, Rear Admiral (select) Cohen has spent the majority of his career patrolling the ocean depths as a Navy submariner. Following submarine training, he began his submarine service aboard U.S.S. *Diodon* (SS 349) in San Diego. Nuclear power trained, he has served in the engineering departments of U.S.S. *Nathaniel Greene* (SSBN 636) and U.S.S. *Nathan Hall* (SSBN 623), and as the executive officer aboard U.S.S. *George Washington Carver* (SSBN 656). In 1985, Rear Admiral (select) Cohen took command of U.S.S. *Hyman G. Rickover* (SSN 709) and skippered the ship on three deployments.

When not underwater, Rear Admiral (select) Cohen has likewise served with distinction on the staff of Commander in Chief, U.S. Atlantic Fleet, as senior member of the Nuclear Propulsion Examining Board and on the staff of the Director of Naval Intelligence. He also commanded U.S.S. *L.Y. Spear* (AS 36), a submarine tender in Norfolk, VA. Following this command tour, he reported, in April 1993, to the Secretary of the Navy's staff as the Deputy Chief of Legislative Affairs. Among Rear Admiral(select) Cohen's many awards and decorations are five Legions of Merit and three Meritorious Service Medals. He is both submarine and surface warfare qualified.

During his tenure as the Deputy Chief of Legislative Affairs, Rear Admiral (select) Cohen provided the Senate with timely support and accurate information on Navy plans and programs. His close work with the Congress and steadfast devotion to the Navy mission helped ensure that the U.S. Navy remained the best-trained, best-equipped, and best-prepared naval force in the world. Faced with countless challenges and a multitude of complex and sensitive issues, Rear Admiral (select) Cohen's unflappable leadership, integrity, and limitless energy had a profound and positive impact on the U.S. Naval Service.

As a testament to his extremely valuable contributions to the national security of this country, the Navy recently selected him to flag rank and I am pleased to say that the Senate recently confirmed his nomination. The Chief of Naval Operations will pin on his star Friday, November 7, in the Pentagon. With this well-deserved promotion, Admiral Cohen will continue his outstanding service to the Navy and the Nation as he moves on to positions of even greater responsibility. On behalf of my colleagues on both sides of the aisle, I wish Rear Adm. (select) Jay Cohen fair winds and following seas. I know we will see and hear from him again.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, November 4, 1997, the Federal debt stood at $5,432,371,961,282.81 (Five trillion, four hundred thirty-two billion, three hundred seventy-one million, nine hundred sixty-one thousand, two hundred eighty-two dollars and eighty-one cents).

One year ago, November 4, 1996, the Federal debt stood at $5,248,378,000,000 (Five trillion, two hundred forty-eight billion, three hundred seventy-eight million).

Five years ago, November 4, 1992, the Federal debt stood at $4,070,185,000,000

(Four trillion, seventy billion, one hundred eighty-five million).

Ten years ago, November 4, 1987, the Federal debt stood at $2,392,996,000,000 (Two trillion, three hundred ninety-two billion, nine hundred ninety-six million).

Fifteen years ago, November 4, 1982, the Federal debt stood at $1,145,846,000,000 (One trillion, one hundred forty-five billion, eight hundred forty-six million) which reflects a debt increase of more than $4 trillion—$4,286,525,961,282.81 (Four trillion, two hundred eighty-six billion, five hundred twenty-five million, nine hundred sixty-one thousand, two hundred eighty-two dollars and eighty-one cents) during the past 15 years.

U.S. FOREIGN OIL CONSUMPTION FOR WEEK ENDING OCTOBER 31

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending October 31, the United States imported 7,986,000 barrels of oil each day, 948,000 barrels more than the 7,038,000 imported each day during the same week a year ago.

Americans relied on foreign oil for 55.6 percent of their needs last week, and there are no signs that the upward spiral will abate. Before the Persian Gulf war, the United States obtained approximately 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil? By U.S. producers using American workers?

Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 7,986,000 barrels a day.

FIRST LADY'S VISIT TO IRELAND AND NORTHERN IRELAND

Mr. KENNEDY. Mr. President, last week the First Lady visited Dublin and Belfast. When the President and the First Lady visited those cities 2 years ago, they received a warm welcome from the people of Ireland and Northern Ireland, and Mrs. Clinton was warmly received on her return visit last week.

During her visit, she emphasized the President's commitment to peace in Northern Ireland. All friends of Ireland in the United States are grateful for the continuing interest and involvement of the President and the First Lady in this issue, which is of such great importance to so many Americans.

In Dublin on October 30, Mrs. Clinton spoke warmly of her previous visit in 1995 and the continuing strong commitment of the United States to the peace process.

At the University of Ulster in Belfast on October 31, Mrs. Clinton delivered a lecture named in honor and in memory of Joyce McCartan, a courageous woman of peace whom the First Lady had met during her visit 2 years ago, and who had inspired many other women in Northern Ireland to take up the cause of reconciliation.

I believe my colleagues will be interested in Mrs. Clinton's eloquent remarks about the positive role of women in Northern Ireland and around the world in the search for peace and hope and opportunity. I ask unanimous consent that the First Lady's remarks in Dublin and Belfast be printed in the RECORD.

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

REMARKS OF THE FIRST LADY

DUBLIN CASTLE; DUBLIN, IRELAND

October 30, 1997

Thank you very much, it is such a great pleasure for me to be back and I must tell you that although my visit is far too brief, my husband is very jealous. He is green with jealousy, and as I left this morning, he said ''tell everyone''—as though I would have a chance to tell the entire populace—how much he wishes he could be here as well.

It has been as, we have heard, nearly two years since we were here, and I don't think we will ever have a better time anywhere than we did here. The warmth of the greeting and the outpouring at College Green are images that we think about and talk about in our house all the time. It is wonderful to be back here in this Castle, and I am especially pleased that since our visit, Ireland hosted here, the European Union leaders, to such success.

Much has happened in the Northern Ireland peace process since my husband was here. An IRA cease-fire broke down but was restored, and in this precious peace almost all the key parties of the conflict are sitting down to discuss substantive issues. There is a new government in Ireland, led by the Taoiseach, and this government has built on the determination of its predecessor to keep the political momentum moving toward a negotiated settlement.

But I've been especially pleased to see, since my visit, how Ireland has continued to prosper. It has been wonderful to read, as I have, of the important progress that has been made, not only in the peace process but in the move toward prosperity, on this island. I was very moved to have a visit just a few days ago in the White House from Mary Robinson, and I know that the polls have closed and you are about to elect her successor. She has moved from being your President to being in the forefront of human rights, another example of Irish leadership.

Dublin as you know has an important critical role in producing a settlement. As my husband said two years ago on College Green, America will be with you as you walk the road of peace. We know from our own experience that making peace among people of different cultures is the work of a lifetime. My husband and I, and all who stand with you, are under no illusions that reaching an agreement will be easy. There are centuries of feelings behind each side's arguments, and events of the past 27 years have left wounds that are still raw.

I would like to highlight two themes on this short visit here and then tomorrow in Belfast—compromise and reconciliation. When the people want peace, it is the obligation of political leaders to find the common ground where it can thrive. It involves postponing or even giving up cherished ideals in the belief that others will do the same to end conflict and build a better future. All sides must compromise and seek this common ground in the weeks and months ahead.

I want, on behalf of the President, to pay tribute to both sides of the border and the community divide, who have worked so hard in recent years to bring about reconciliation in the wake of this bitter conflict, and I want to mention women in particular. Women have paid a heavy price for the social turmoil generated by the troubles, and it therefore comes as no surprise that women are leading the efforts towards a lasting peace. Tomorrow, in Belfast, I will honor one such woman, Joyce McCartan, whom I was privileged to meet on my visit. The National Women's Council of Ireland has launched a project in collaboration with partners in Northern Ireland called ''Making Women Seen and Heard.'' It features workshops designed to empower women who are politically and socially marginalized. These workshops held on both sides of the border are a tangible example of what can be done to foster communication and reconciliation.

The United States will continue to do its part to support the peace process. My husband remains personally committed to this effort and to those who take risks to make peace happen. We are also fortunate to have Ambassador Jean Kennedy Smith, who has contributed so much to the relationship between our countries, to Ireland, and to the peace process. Be assured that the United States is your partner for the long haul.

I want to thank you also for the warm hospitality extended to my daughter during her private visit in June. She was able to come with a friend and just a few other keepers, and enjoy the people and the beauty of your country, and I am grateful to you for that. I also must tell you that my husband has been practicing his golf, looking at his calendar searching for a date that will enable him to return here with a seven-iron in hand. I hope that that is not too far off in the distance, and that he will have the opportunity that I have now to greet you personally, to thank you for your friendship and your support, and to wish you Godspeed in the many important efforts that you are undertaking today.

Thank you very much.

REMARKS OF THE FIRST LADY AT JOYCE MCCARTAN MEMORIAL LECTURE

UNIVERSITY OF ULSTER; BELFAST, NORTHERN IRELAND

October 31, 1997

Thank you, Thank you very much, Chancellor. I am delighted to be here at this university. I want to thank the university for this invitation, Robert Hanna, Professor Sir Trevor Smith, Pro Vice Chancellor, and Provost Ann Tate. And I'm especially pleased that I could be joined today by the United States Ambassador to the Court of St. James Philip Lader, U.S. Counsel General Kathleen Stevens, and Senator George Mitchell, who is here in the room with us.

I want to welcome all of you because I feel so very welcome here, but particularly, a special welcome to the family, friends and associates of Joyce McCartan who have joined us today.

It is a great personal pleasure and honor for me to be back in Northern Ireland and to reunited with some of the courageous women and men I first met when I came here two years ago with my husband. The sights and sounds and emotions of that visit, the lighting of the Christmas Tree outside City Hall, our walk from Guild Hall Square to Shipquay Street, Protestants and Catholics working side by side at the Mackey Metal

Plant—all of that and so much more hold special places in my husband's heart and in my own.

And I will always treasure my visit to Ye Olde Lamplighter on Lower Ormeau Road, for it was there that I shared a cup of tea with Joyce McCartan and her colleagues. It is, therefore, a signal honor to give this, first of a series of lectures dedicated in her memory, and in recognition of the important role women have played, are playing and will play in building peace.

I am very delighted that the university, with the support of corporate sponsorship from Cable Tel, will honor Joyce McCartan's work even further by establishing bursaries to assist women who are studying conflict resolution and community reconciliation.

This is a hopeful moment, as it was two years ago. But it is even more promising now. For the first time in more than 25 years, leaders of Northern Ireland's Catholic and Protestants communities are meeting, and the world is watching to see whether they will be able to end a generation of senseless killing and forge a lasting peace.

When the people want peace, it is the obligation of political leaders to find the common ground where it can thrive. That requires compromise and reconciliation. That involves postponing or even giving up one's cherished ideals in the belief that others will do the same to end the conflict and build a better future.

All sides must compromise and seek this common ground in the weeks and months ahead. The United States will continue to do its part to support the peace process, and my husband remains personally committed to this effort and to those who take risks for peace.

Joyce McCartan was one of those risk-takers. I want to pay tribute to her and to the men and women on both sides of the border and the community divide who have worked so hard in recent years to bring about reconciliation in the wake of this bitter conflict. We would never have arrived at this hopeful moment without the countless acts of courage and faith of people like the women we honor today.

I have many memories of my visit, and I even have a souvenir. I have the teapot. (Laughter and applause.) As you can see, it is a rather ordinary, stainless steel teapot, one easily found in many Belfast kitchens. But as I told Joyce during our conversation, this teapot was so much better at keeping the tea hot than the ones I had back in the White House. So she gave it to me as a present.

I use this teapot every day in my private kitchen on the second floor of the White House. And whenever I look at it, I am reminded of Joyce's ability to warm hearts, to keep alive hope for a better world and a better time, despite tragedy after heart-breaking tragedy.

As we sipped our tea together, the women told me how they had worked over the years, how both Catholic and Protestant, they had realized so much more united than divided them. While they may have attended different churches on Sunday, seven days a week they all said a silent prayer for the safe return of a child from school or a husband from an errand in town. Seven days a week their families struggled with the same deep-rooted causes of the violence—the terrors of sectarianism, the burdens of poverty, the shackles of limited education, the despair of unemployment.

And while they may have held different views of the past, they had learned that together they could build a better present and hope for an even brighter future, by promoting understanding, saving lives, preserving families, nurturing hope, and defying history. Because, in the end, for them and for so many other women across Northern Ireland, love of family ran deeper than calls to hatred.

I had never met Joyce before we gathered together, but I had seen her compassion, courage and commitment in many other eyes—her yearning for a more peaceful and democratic would resonates through the ages and stretches across the globe. Mothers, wives, daughters, ordinary citizens—their insistent voices for peace raised sometimes in a roar, but more often in a whispered prayer—have inspired women and entire societies around the world to build more open, just, democratic and peaceful communities. This chorus of courageous voices can be heard today from Belfast to Bosnia, wherever women are working to end the violence and begin the healing.

Although I have been privileged to travel widely and meet many of the world's leaders, I often find that it is in small groups, sitting around a kitchen table, sipping tea with women like Joyce, sharing concerns and talking about our families, where I've learned the most valuable lessons. And one of those lessons is that an extraordinary power is unleashed when women reach out to their neighbors and find common ground—when they began to lift themselves up, and by doing so, lift up their families, their neighbors, and their communities.

I know that Joyce liked to call herself a family feminist because saving families was at the root of all her efforts. This is a brilliant term, and one that I have quoted throughout the globe, because it captures the very important idea that when women are empowered to make the most of their own potential, then their families will thrive, and when families thrive, communities and nations thrive as well. Women who are acting to protect and strengthen their families are playing a central role in the building and sustaining of peace and democracy around the world.

Now, often when we talk about democracy, or when classes and lectures are held about it, we talk about our highest ideals—freedom of religion, freedom of association, freedom of speech and of the press, freedom to participate fully in the civic and political life of one's country. But democracy is also about ensuring equal access to quality education, health care, jobs and credit. Democracy is about respecting human dignity and allowing people the opportunity to take responsibility for composing their own lives that will allow them to live up to their God-given promise.

What we've learned over the years is that these lofty ideals can be made real only through the everyday efforts of ordinary citizens. Yes, we need laws and a system of justice to uphold them, but democracy is nurtured and sustained in the hearts of people, in the principles they honor, in the way they live their daily lives and how they treat their fellow citizens, in the lessons they teach their children before they tuck them into bed at night.

One of the great observers of American democracy, Alexis de Tocqueville, wrote about what it was that he though made American democracy work. He talked about the way men and women felt they could participate in making their own lives better, how they formed associations, how they worked for some common good. And he referred to the habits of the heart that are necessary for any democracy to flourish. It is these habits of the heart that must be nurtured, and that countless, unheralded women around the world are quietly doing so every day.

I have tried in my travels to shine a spotlight on their achievements because I stand in awe of women like Joyce McCartan—women who through their own personal tragedies find the strength to go on, but more than that, to reach out and try to prevent the conditions from occurring that causes them such heartbreak. Women, like so many of you here who have endured the loss of loved ones—fathers, brothers, husbands, sons and others—to the Troubles, but have refused to give in to bitterness or to dwell in the past.

You have been working through community organizations, such as the Northern Ireland Women's Coalition to break the cycle of hatred and save other people's fathers, brothers, husbands and sons. Your efforts to share grief across sectarian lines have blossomed into dynamic alliances to end poverty and the causes of violence. And you have helped to lay a solid foundation for permanent peace.

I want you to know that you should never feel alone in your efforts. You are part of a powerful movement of family feminists, working to strengthen democracy across the globe. Your partners are everywhere. They're the women in South Africa who lost loved ones and were victimized by apartheid. But they have been willing to participate in the work of the Truth and Reconciliation Commission, and to find in their hearts the capacity for forgiveness of those who did violence to them—because what does freedom mean if people remain imprisoned by their own bitterness?

They are women who are starting small community banks in poor rural villages or inner city neighborhoods from Chile to Chicago—because what does freedom mean if people don't have the opportunity and the income to help them gain independence and self-sufficiency?

They are women in countries like Pakistan who have agitated against domestic violence—because what does freedom mean if a woman is afraid to sleep in her own home or protect her children because of a violent husband?

They are women in Zimbabwe and Bolivia who are running rural health clinics and are working in the inner cities to immunize children an provide services—because what does freedom mean if families are denied access to basic health care, and women are denied the right to plan their own families?

They are the women in Romania and Estonia who are leading voter education projects—because what does freedom mean if people do not know how to exercise their right to choose their own leaders?

They are women from the Philippines to Paraguay who are campaigning for the rights of girls to receive the same education as their brothers—because what does freedom mean if women do not gain the skills and knowledge to make the most of their God-given gifts?

Women are not only critical to advancing peace and freedom, they are redefining the very notion of what we mean by a democratic society. Democracy cannot flourish if women are not full partners in the social, economic, political and civic lives of their communities and nations. Societies will only address the issues closest to the hearts of women when women themselves claim their rights as citizens.

That message has come to life in my own country. Suddenly, the debates about politics and our future are not only about defense or diplomacy. They are also about how to balance work and family, about improving public schools, about keeping health insurance after leaving a job or sending a child off to college for an education.

These issues have become central to our political life because thousands of American women have become organized and demanded changes, and insisted that our democracy respond to their concerns. They've helped all

Americans understand that strengthening families and cherishing children are not just women's issues, but issues of vital importance to everyone concerned about our common future.

Now, there were some observers who were perplexed that during the last presidential campaign, these kitchen table issues had become so important. They, in fact, derided the phenomenon as the feminization of politics. I prefer to think of it as the humanization of politics—because how we raise our children, care for our sick, train our workers will determine the strength and prosperity of all our people in the days to come. And how we learn to live together across religious, ethnic and racial lines will determine the peace and security of our children's lives.

That's why I believe encouraging more women's voices to be heard is important for the overall effort that many of you are making to assure that your children, your grandchildren, these young people in this audience will be able to live out their lives in a peaceful, secure Northern Ireland. It is important that these women's issues that affect our deepest concerns as human beings are part of the political debate.

Most women, like Joyce McCartan, don't become involved in politics because they have any grand philosophy about how they intend to strengthen democracy. Instead, they see how politics—especially politics practiced by those who are engendering conflict between people—are hurting their families. They get fed up with the posturing; they get fed up with the speech making. When jobs are scarce and hope is in very short supply, they take matters into their own hands. They decide, as Joyce memorably said, ''You can't fry flags in a pan.'' And they get to work on setting things right.

I am told that years ago, Joyce borrowed a couple of cows from a farmer and led a group of women to City Hall to protest the removal of free school milk for children. Another time, she attended a city council meeting and refused to leave until they discussed an increase in the bus fare. And while she had to be carried out of that meeting, she eventually forced the council to hear her grievance and convinced them to introduce a lower fare for children. It is the stuff of life. It is those issues we talk about around our kitchen tables that help to develop those habits of the heart that sustain democracy.

I thought often about the Troubles here as I have thought about Joyce McCartan and the women I met as I have fixed myself a pot of tea. I don't know whether a Catholic or a Protestant made this teapot. I don't know whether a Catholic or a Protestant sold this teapot. I only know that this teapot serves me very well. And this teapot stands for all those conversations around those thousands of kitchen tables where mothers and fathers look at one another with despair because they cannot imagine that the future will be any better for their children. But this teapot also is on the kitchen table where mothers and fathers look at one another and say, we have to do better. We cannot permit this to go on. We have to take a stand for our children.

There is no room for illusion in the difficulty that confronts the peace process. The President and all of us who support you in this effort know how difficult it will be to overcome the past when the wounds still seem so raw. But the children deserve all the work, all the prayers, all the strength, courage and commitment that can be brought to bear.

There will be more bumps on the road. There will be those who would rather smash the teapot than to fill it with piping hot tea to sit down to have a conversation. And the women and the men who believe, as Joyce McCartan believed with all her heart, that there is a better way, who saw as she sat around so many kitchen tables talking across the division that everyone was concerned about the same issues deep down, that we all worried about our lives, our relationships, our jobs, our education, our children, our health—she understood that if we could just get enough people around some great kitchen table, where they'd have to sit down and look at one another honestly, share their fears, their hopes, their dreams, that we could make progress.

Well, now, finally, we have men and women around a table. I hope they have lots of tea. I hope that they are not only talking about all of the difficult political issues, but in quiet asides, sharing some of what is in their heart with one another. And as they do so, I hope the faces of so many women and men who have given all they could give over the years to bring this moment to pass, will be seen in the mind's eye.

Joyce McCartan deserves as her real legacy that the peace process move forward. She and all the brave women who, for more than 20 years, marched, begged, prayed, cried, shouted that they wanted peace deserve to be heard.

It is no longer in Joyce's hands. The burden has been passed to others. And I hope and I pray that those to whom it has been entrusted will pick up that burden and carry it forward. Joyce's work is done. But to honor her memory, we should all press forward with her work—to build peace here and around the world.

Thank you very much.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, 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.)

MESSAGES FROM THE HOUSE

At 12:37 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 672) to make technical amendments to certain provisions of title 17, United States Code.

The message also announced that the House has passed the following bills, without amendment:

S. 587. An act to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, Colorado.

S. 588. An act to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, Colorado, to include land known as the Slate Creek Addition.

S. 589. An act to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys.

S. 591. An act to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado.

S. 931. An act to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center.

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 404. An act to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to State and local governments of certain surplus property needed for use for a law enforcement or fire and rescue purpose.

H.R. 434. An act to provide for the conveyance of small parcels of land in the Carson National Forest and the Santa Fe National Forest, New Mexico, to the village of El Rito and the town of Jemez Springs, New Mexico.

H.R. 1493. An act to require the Attorney General to establish a program in local prisons to identify, prior to arraignment, criminal aliens and aliens who are unlawfully present in the United States, and for other purposes.

H.R. 1604. An act to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 18–E, 58, 364, and 18–R before the Indian Claims Commission.

H.R. 1702. An act to encourage the development of a commercial space industry in the United States, and for other purposes.

H.R. 1836. An act to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes.

H.R. 1839. An act to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

H.R. 1856. An act to amend the Fish and Wildlife Act of 1956 to direct the Secretary of the Interior to conduct a volunteer pilot project at one national wildlife refuge in each United States Fish and Wildlife Service region, and for other purposes.

H.R. 2265. An act to amend the provisions of titles 17 and 18, United States Code, to provide greater copyright protection by amending criminal copyright infringement provisions, and for other purposes.

H.R. 2275. An act to require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes.

H.R. 2731. An act for the relief of Roy Desmond Moser.

H.R. 2732. An act for the relief of John Andre Chalot.

H.J.Res. 91. Joint resolution granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River Basin Compact.

H.J.Res. 92. Joint resolution granting the consent of Congress to the Alabama-Coosa-Tallapoosa River Basin Compact.

ENROLLED BILLS SIGNED

At 4:22 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 587. An act to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, Colorado.

S. 588. An act to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White

River National Forest, Colorado, to include land known as the Slate Creek Addition.

S. 589. An act to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys.

S. 591. An act to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado.

S. 931. An act to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center.

S. 79. An act to provide for the conveyance of certain land in the Six Rivers National Forest in the State of California for the benefit of the Hoopa Valley Tribe.

S. 672. An act to make technical amendments to certain provisions of title 17, United States Code.

H.R. 708. An act to require the Secretary of the Interior to conduct a study concerning grazing use and open space within and adjacent to Grand Teton National Park, Wyoming, and to extend temporarily certain grazing privileges.

H.R. 2464. An act to amend the Immigration and Nationality Act to exempt internationally adopted children 10 years of age or younger from the immunization requirement in section 212(b)(1)(A)(ii) of such Act.

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1493. An act to require the Attorney General to establish a program in local prisons to identify, prior to arraignment, criminal aliens and aliens who are unlawfully present in the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 1702. An act to encourage the development of a commercial space industry in the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 1836. An act to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes; to the Committee on Governmental Affairs.

H.R. 1856. An act to amend the Fish and Wildlife Act of 1956 to direct the Secretary of the Interior to conduct a volunteer pilot project at one national wildlife refuge in each United States Fish and Wildlife Service region, and for other purposes; to the Committee on Environmental and Public Works.

H.R. 2265. An act to amend the provisions of titles 17 and 18, United States Code, to provide greater copyright protection by amending criminal copyright infringement provisions, and for other purposes; to the Committee on the Judiciary.

H.R. 2675. An act to require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes; to the Committee on Governmental Affairs.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on November 5, 1997, he had presented to the President of the United States, the following enrolled bills:

S. 587. An act to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, CO.

S. 588. An act to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, CO, to include land known as the Slate Creek Addition.

S. 589. An act to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, CO, to correct the effects of earlier erroneous land surveys.

S. 591. An act to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado.

S. 931. An act to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3277. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 96–04; to the Committee on Appropriations.

EC–3278. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 95–18; to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1079. A bill to permit the leasing of mineral rights, in any case in which the Indian owners of an allotment that is located within the boundaries of the Fort Berthold Indian Reservation and held trust by the United States have executed leases to more than 50 percent of the mineral estate of that allotment (Rept. No. 105–139).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CAMPBELL, from the Committee on Indian Affairs:

Kevin Gover, of New Mexico, to be an Assistant Secretary of the Interior.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. THOMPSON, from the Committee on Governmental Affairs:

Susanne T. Marshall, of Virginia, to be a Member of the Merit Systems Protection Board for the term of seven years expiring March 1, 2004.

Anita M. Josey, of the District of Columbia, to be Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Ernesta Ballard, of Alaska, to be a Governor of the United States Postal Service for a term expiring December 8, 2005.

Dale Cabaniss, of Virginia, to be a Member of the Federal Labor Relations Authority for a term expiring July 29, 2002.

John M. Campbell, of the District of Columbia, to be Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Curt Hebert, Jr., of Mississippi, to be a Member of the Federal Energy Regulatory Commission for the remainder of the term expiring June 30, 1999.

Linda Key Breathitt, of Kentucky, to be a Member of the Federal Energy Regulatory Commission for a term expiring June 30, 2002.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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 Ms. MIKULSKI (for herself, Ms. SNOWE, Mr. LOTT, Mr. SARBANES, Mr. COCHRAN, Mr. GLENN, Mr. D'AMATO, Mr. HOLLINGS, Mr. HUTCHINSON, Ms. MOSELEY-BRAUN, Mr. INOUYE, Mr. FORD, and Ms. COLLINS):

S. 1370. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes; to the Committee on Finance.

By Mr. KOHL (for himself and Mr. DEWINE):

S. 1371. A bill to establish felony violations for the failure to pay legal child support obligations, and for other purposes; to the Committee on the Judiciary.

By Mrs. BOXER (for herself and Mrs. FEINSTEIN):

S. 1372. A bill to provide for the protection of farmland at the Point Reyes National Seashore, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI:

S. 1373. A bill to establish the Commonwealth of Guam, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MCCAIN:

S. 1374. A bill to clarify that unmarried adult children of Vietnamese re-education camp internees are eligible for refugee status under the Orderly Departure Program; to the Committee on Foreign Relations.

By Mr. KOHL (for himself, Mr. FEINGOLD, Mr. BUMPERS, Mr. JOHNSON, Mr. BINGAMAN, and Mr. JEFFORDS):

S. 1375. A bill to promote energy conservation investments in Federal facilities, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1376. A bill to increase the Federal medical assistance percentage for Hawaii to 59.8 percent; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. LEAHY, and Mr. DASCHLE):

S. 1377. A bill to amend the Act incorporating the American Legion to make a technical correction; considered and passed.

By Mr. WARNER:

S. 1378. A bill to extend the authorization of use of official mail in the location and recovery of missing children, and for other purposes; considered and passed.

By Mr. DEWINE (for himself, Mr. MOYNIHAN, Mr. HATCH, Mr. D'AMATO, Mr. DODD, Mr. KOHL, Mr. COVERDELL, Mr. KENNEDY, Mr. INOUYE, Mr. LIEBERMAN, Ms. SNOWE, Mr. HUTCHINSON, Mr. THURMOND, Mr. MCCAIN, Mr. SHELBY, Mr. CAMPBELL, and Mr. WYDEN):

S. 1379. A bill to amend section 552 of title 5, United States Code, and the National Security Act of 1947 to require disclosure under the Freedom of Information Act regarding certain persons, disclose Nazi war criminal records without impairing any investigation or prosecution conducted by the Department of Justice or certain intelligence matters, and for other purposes; to the Committee on the Judiciary.

By Mr. COATS (for himself, Mr. LIEBERMAN, Mr. D'AMATO, and Mr. KERREY):

S. 1380. A bill to amend the Elementary and Secondary Education Act of 1965 regarding charter schools; to the Committee on Labor and Human Resources.

By Mr. NICKLES:

S. 1381. A bill to direct the Secretary of the Army to convey lands acquired for the Candy Lake project, Osage County, Oklahoma; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. WARNER (for himself and Mr. FORD):

S. Res. 143. A resolution to authorize the printing of a revised edition of the Senate Election Law Guidebook; considered and agreed to.

S. Con. Res. 61. A concurrent resolution authorizing printing of a revised edition of the publication entitled ''Our Flag''; considered and agreed to.

S. Con. Res. 62. A concurrent resolution authorizing printing of the brochure entitled ''How Our Laws Are Made''; considered and agreed to.

S. Con. Res. 63. A concurrent resolution authorizing printing of the pamphlet entitled ''The Constitution of the United States of America''; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MIKULSKI (for herself, Ms. SNOWE, Mr. LOTT, Mr. SARBANES, Mr. COCHRAN, Mr. GLENN, Mr. D'AMATO, Mr. HOLLINGS, Mr. HUTCHINSON, Ms. MOSELEY-BRAUN, Mr. INOUYE, Mr. FORD, and Ms. COLLINS):

S. 1370. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies, during the first 15 days of such month, and for other purposes; to the Committee on Finance.

THE SOCIAL SECURITY FAMILY PROTECTION ACT

Ms. MIKULSKI. Mr. President, today, I rise to talk about an issue that is very important to me, very important to my constituents in Maryland and very important to the people of the United States of America.

For the second Congress in a row, I am joining in a bipartisan effort with my friend and colleague, Senator OLYMPIA SNOWE, to end an unfair policy of the Social Security System.

Senator SNOWE and I are introducing the Social Security Family Protection Act. This bill addresses retirement security and family security. We want the middle class of this Nation to know that we are going to give help to those who practice self-help.

What is it I am talking about? We have found that Social Security does not pay benefits for the last month of life. If a Social Security retiree dies on the 18th of the month or even on the 30th of the month, the surviving spouse or family members must send back the Social Security check for that month.

I think that is an harsh and heartless rule. That individual worked for Social Security benefits, earned those benefits, and paid into the Social Security trust fund. The system should allow the surviving spouse or the estate of the family to use that Social Security check for the last month of life.

This legislation has an urgency, Mr. President. When a loved one dies, there are expenses that the family must take care of. People have called my office in tears. Very often it is a son or a daughter that is grieving the death of a parent. They are clearing up the paperwork for their mom or dad, and there is the Social Security check. And they say, ''Senator, the check says for the month of May. Mom died on May 28. Why do we have to send the Social Security check back? We have bills to pay. We have utility coverage that we need to wrap up, mom's rent, or her mortgage, or health expenses. Why is Social Security telling me, 'Send the check back or we're going to come and get you'?''

With all the problems in our country today, we ought to be going after drug dealers and tax dodgers, not honest people who have paid into Social Security, and not the surviving spouse or the family who have been left with the bills for the last month of their loved one's life. They are absolutely right when they call me and say that Social Security was supposed to be there for them.

I've listened to my constituents and to the stories of their lives. What they say is this: ''Senator MIKULSKI, we don't want anything for free. But our family does want what our parents worked for. We do want what we feel we deserve and what has been paid for in the trust fund in our loved one's name. Please make sure that our family gets the Social Security check for the last month of our life.''

That is what our bill is going to do. That is why Senator SNOWE and I are introducing the Family Social Security Protection Act. When we talk about retirement security, the most important part of that is income security. And the safety net for most Americans is Social Security.

We know that as Senators we have to make sure that Social Security remains solvent, and we are working to do that. We also don't want to create an undue administrative burden at the Social Security Administration—a burden that might affect today's retirees. But it is absolutely crucial that we provide a Social Security check for the last month of life.

How do we propose to do that? We have a very simple, straightforward way of dealing with this problem. Our legislation says that if you die before the 15th of the month, you will get a check for half the month. If you die after the 15th of the month, your surviving spouse or the family estate would get a check for the full month.

We think this bill is fundamentally fair. Senator SNOWE and I are old-fashioned in our belief in family values. We believe you honor your father and your mother. We believe that it is not only a good religious and moral principle, but it is good public policy as well.

The way to honor your father and mother is to have a strong Social Security System and to make sure the system is fair in every way. That means fair for the retiree and fair for the spouse and family. That is why we support making sure that the surviving spouse or family can keep the Social Security check for the last month of life.

Mr. President, we urge our colleagues to join us in this effort and support the Social Security Family Protection Act.

Ms. SNOWE. Mr. President, I am pleased to join my colleague and friend, the Senator from Maryland, Senator MIKULSKI, in introducing legislation to correct an inequity that exists in our Social Security system.

Currently, when a Social Security beneficiary dies, his or her last monthly benefit check must be returned to the Social Security Administration. This provision often causes problems for the surviving family members because they are unable to financially subsidize the expenses accrued by the late beneficiary in their last month of life. The bill we are introducing today is based on legislation I have introduced during the last four Congresses. My original legislation prorated the Social Security benefit based on the date of death. If the beneficiary died before the 15th, the surviving spouse received 50 percent of the benefit, if the beneficiary died after the 15th, the surviving spouse received the entire

check. The bill Senator MIKULSKI and I are introducing today expands on this bill by making other family members eligible to receive the check if there is not a surviving spouse.

Current law makes an inappropriate assumption that a beneficiary has not incurred expenses during his or her last month of life. I know that my colleagues have heard, as have Senator MIKULSKI and I, from constituents who have lost a husband or wife, father or mother, toward the end of the month, received the Social Security check and spent all or part of it to pay the bills, only to receive a notice from Social Security that the check must be returned. For many of these people, that check was the only income they had and they are left struggling to find the money to pay back the Social Security Administration and pay the rest of the expense their family member incurred in their last month.

I would like to read a part of a letter I received from a constituent about the experience of his family when his brother-in-law died. This letter, along with Senator MIKULSKI's own experience when she lost a loved one, serves to highlight why this bill is necessary.

> On February 29, 1996, at 9:20 p.m. he passed away. . . . he was alive for 99.99617% of the month missing a full month by 0.0038314%. With this evidence in hand, the SSA then decided that his check for the month of Feburary had to be returned to them. Unfortunately, his debts for the month didn't disappear just because he failed to live the extra 0.0038315% of the month. . . . it would be nice to see some kind of pro-rating system put into place for the rest of the people who are going to encounter this ghoulish practice.

I know that my colleagues have all received letters like this. For many of these people, that Social Security check is the only financial resource available to deal with the costs incurred during their loved one's last day of life. Without it, they are left struggling to find the money to pay back the Social Security Administration.

I believe that this legislation provides a fair solution to an unfair situation and I hope my colleagues will join un in supporting this bill.

By Mrs. BOXER (for herself and Mrs. FEINSTEIN):

S. 1372. A bill to provide for the protection of farmland at the Point Reyes National Seashore, and for other purposes; to the Committee on Energy and Natural Resources.

THE POINT REYES NATIONAL SEASHORE FARMLAND PROTECTION ACT OF 1997

Mrs. BOXER. As with many of our national parks, monuments, and other protected treasures, the character and beauty of the Point Reyes National Seashore are threatened—not by development or environmental degradation within the national seashore—but by proposed development outside the boundary line over which the Park Service has no control.

The Point Reyes National Seashore Farmland Protection Act of 1997, which I am introducing today, is an innovative proposal which will ensure that the ecological integrity of the Point Reyes National Seashore is protected for future generations, while also preserving the property rights and historic agricultural use of the farmland in the area.

The legislation establishes a Farmland Protection Area adjacent to the Point Reyes National Seashore within which willing farmers and ranchers will have the opportunity to sell conservation easements for their land. The Farmland Protection Area includes 38,000 acres of the eastern shore of Tomales Bay visible from within Point Reyes. Property owners within that area will be available, but not required, to sell conservation easements to their land.

Conservation easements are legal agreements between a land-owner and a land trust, non-profit, conservation organization. The conservation easements restrict development on the land which is incompatible with the agricultural uses of the land. The easements would not expand public access, pesticide regulations, or hunting rights. Furthermore, the easements will remain with the land in perpetuity providing security for ranchers as well as continued protection for the national seashore.

The easements will allow existing agricultural activities to continue and will preserve the pastoral nature of the land adjacent to Point Reyes National Seashore and the Golden Gate National Recreation Areas by guaranteeing no new development.

This bill will not allow the Secretary to acquire land without the consent of the owner.

I believe this legislation will become a model for land conservation across the Nation as Governments lack the funds to purchase fee title to protect valuable properties from development. This approach may be used to address similar problems at other parks, wildlife refuges, and marine sanctuaries by preserving compatible land use areas that protect view sheds and prevent environmental damage.

This legislation will allow the National Park Service, working with the Marin Agricultural Land Trust [MALT], the Sonoma Land Trust [SLT], and the Sonoma County Agricultural Preservation and Open Space District [SCAPOSD] to protect this beautiful area at a fraction of the cost of acquiring title to the properties within the new boundaries. In addition, those properties would be maintained on Marin County's tax rolls.

Without this legislation, almost 40,000 acres of scenic ranch land will be vulnerable to development. This bill has the strong support of the local farmers and ranchers within the area to be protected, local environmental groups including the Marin Conservation League, effected local governments and the local chamber of commerce.

I commend Congresswoman LYNN WOOLSEY for her hard work and dedication to the House companion legislation. She has been working closely with interested parties in an effort to find this innovative approach to conservation which benefits ranchers, environmentalists, the county, and the Park Service alike.

Last week, the House Resources Committee National Parks and Public Lands Subcommittee held a hearing on this legislation. In that hearing, concerns were raised over the Department of Interior's involvement in the conservation easements and the creation of a boundary around private agricultural lands.

While I understand that the National Park Service is not usually involved in agricultural conservation easements I believe it is the most suitable agency in this case. The United States Department of Agriculture [USDA] does have a program whereby ranchers can sell conservation easements. These farmlands may not be critical agricultural lands at a national level, but they are critical to the Nation's investment in the Point Reyes National Seashore. A simple increase in funding for USDA's Farmland Protection Program would not ensure any new funding for the Farmland Protection Area.

That also leads to the need for a boundary. While I believe it would be beneficial to authorize conservation easements for the entire agricultural area, we must first concentrate on the most critical lands. The boundary will ensure that the funding is used on these critical lands—lands closest to the national park which the Federal Government has the most interest in protecting.

Currently, there are 18 operating ranches within the existing Point Reyes National Seashore. It is my understanding that these ranchers are pleased with their relationship with the National Park Service. All the landowners who wanted to continue ranching when the Point Reyes National Seashore was formed are still operating ranches. In fact, every single rancher has signed a statement affirming their satisfaction with the continuing cooperation and support they receive from the National Park Service as they continue their ranching operations.

This legislation creates a completely voluntary program. Landowners who wish to sell their land to developers, continue to have that right. While I don't encourage such actions, this legislation does nothing to impede it. We have an opportunity here to take an important step toward protecting farmers and enhancing a national park. It is not often that we have such an occasion where often competing interests can co-exist. This legislation provides that opening. I encourage my colleagues to support this legislation and I am hopeful that we can pass it quickly.

I ask unanimous consent that the full text of the legislation be printed in the RECORD.

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

S. 1372

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 ''Point Reyes National Seashore Farmland Protection Act of 1997''.

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to protect the pastoral nature of the land adjacent to the Point Reyes National Seashore from development that would be incompatible with the character, integrity, and visitor experience of the park;

(2) to create a model public/private partnership among the Federal, State, and local governments, and as organizations and citizens that will preserve and enhance the agricultural land along Tomales and Bodega Bay Watersheds;

(3) to protect the substantial Federal investment in Point Reyes National Seashore by protecting land and water resources and maintaining the relatively undeveloped nature of the land surrounding Tomales and Bodega Bays; and

(4) to preserve productive uses of land and waters in Marin and Sonoma counties adjacent to Point Reyes National Seashore, primarily by maintaining the land in private ownership restricted by conservation easements.

SEC. 3. ADDITION OF FARMLAND PROTECTION AREA TO POINT REYES NATIONAL SEASHORE AND ACQUISITION OF DEVELOPMENT RIGHTS.

(a) ADDITION.—Section 2 of Public Law 87–657 (16 U.S.C. 459c–1) is amended by adding at the end the following:

''(c) FARMLAND PROTECTION AREA.—

''(1) IN GENERAL.—The Point Reyes National Seashore shall include the Farmland Protection Area depicted on the map numbered 612/60,163 and dated July 1995, which shall be on file and available for public inspection in the Offices of the National Park Service of the Department of the Interior in Washington, District of Columbia.

''(2) OBJECTIVE.—Within the Farmland Protection Area depicted on the map described in paragraph (1), the primary objective shall be to maintain agricultural land in private ownership protected from nonagricultural development by conservation easements.''.

(b) FARMLAND ACQUISITION AND MANAGEMENT.—Section 3 of Public Law 97–657 (16 U.S.C. 459c–2) is amended by adding at the end the following:

''(d) FARMLAND ACQUISITION AND MANAGEMENT.—

''(1) IN GENERAL.—Notwithstanding subsections (a) through (c), the Secretary, to encourage continued agricultural use, may acquire land or interests in land from the owners of the land within the Farmland Protection Area depicted on the map described in section 2(c).

''(2) METHOD OF ACQUISITION.—

''(A) IN GENERAL.—Except as provided in paragraph (4), land and interests in land may be acquired under this subsection only by donation, purchase with donated or appropriated funds, or exchange.

''(B) LAND ACQUIRED BY EXCHANGE.—Land acquired under this subsection by exchange may be exchanged for land outside the State of California, notwithstanding section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)).

''(3) REQUIREMENTS.—

''(A) PRIORITY.—The Secretary shall give priority to—

''(i) acquiring interests in land through the purchase of development rights and conservation easements;

''(ii) acquiring land and interests in land from nonprofit corporations operating primarily for conservation purposes; and

''(iii) acquiring land and interests in land by donation or exchange.

''(B) CONSERVATION EASEMENTS.—The Secretary shall not acquire any conservation easement on land within the Farmland Protection Area from a nonprofit organization that was acquired by the nonprofit organizations before January 1, 1997.

''(C) COOPERATIVE AGREEMENTS.—For the purpose of managing, in the most cost-effective manner, interests in land acquired under this subsection, and for the purpose of maintaining continuity with land that has an easement on the date of enactment of this subsection, the Secretary shall enter into cooperative agreements with public agencies or nonprofit organizations having substantial experience holding, monitoring, and managing conservation easements on agricultural land in the region, such as the Marin Agricultural Land Trust, the Sonoma County Agricultural Preservation and Open Space District, and the Sonoma Land Trust.

''(4) REGULATION.—

''(A) IN GENERAL.—Within the boundaries of the Farmland Protection Area depicted on the map described in section 2(c)—

''(i) absent an acquisition of privately owned land or an interest in land by the United States, nothing in this Act authorizes any Federal agency or official to regulate the use or enjoyment of privately owned land, including land that, on the date of enactment of this subsection, is subject to an easement held by the Marin Agricultural Land Trust, the Sonoma County Agricultural Preservation and Open Space District, or the Sonoma Land Trust; and

''(ii) such privately owned land shall continue under the jurisdiction of the State and political subdivisions within which the land is located.

''(B) PERMITS AND LEASES.—

''(i) IN GENERAL.—The Secretary may permit, or lease, land acquired in fee under this subsection.

''(ii) CONSISTENCY.—Any such permit or lease shall be consistent with the purposes of the Point Reyes National Seashore Farmland Protection Act of 1997.

''(iii) USE OF REVENUES.—Notwithstanding any other provision of law, revenues derived from any such permit or lease—

''(I) may be retained by the Secretary; and

''(II) shall be available, without further appropriation, for expenditure to further the goals and objectives of agricultural preservation within the boundaries of the area depicted on the map described to in section 2(c).

''(C) LAND OF STATE AND LOCAL GOVERNMENTS.—Land or an interest in land, within the area depicted on the map described in section 2(c) that is owned by the State of California or a political subdivision of the State of California, may be acquired only by donation or exchange.

''(5) OWNER'S RESERVATION OF RIGHT.—Section 5 shall not apply with respect to land and or an interest in land acquired under this subsection.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 9 of Public Law 87–657 (16 U.S.C. 459c–7) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''There are authorized''; and

(2) by adding at the end the following:

''(b) LAND ACQUISITION.—

''(1) IN GENERAL.—In addition to the sums authorized to be appropriated by this section before the enactment of the Point Reyes National Seashore Farmland Protection Act of 1997, there is authorized to be appropriated $30,000,000 to be used on a matching basis to acquire land and interests in land under section 3(d).

''(2) FEDERAL SHARE.—The Federal share of the costs for acquiring land and interests in land under section 3(d) shall be 50 percent of the total costs of the acquisition.

''(3) NON-FEDERAL SHARE.—

''(A) FORM.—The non-Federal share of the acquisition costs may be paid in the form of property, moneys, services, or in-kind contributions, fairly valued.

''(B) LAND OF STATE AND LOCAL GOVERNMENTS.—For the purpose of determining the non-Federal share of the costs, any land or interests in land that is within the boundaries of the area depicted on the map described in section 2(c), that, on the date of enactment of this subsection, is held under a conservation easement by the Marin Agricultural Land Trust, the Sonoma County Agricultural Preservation and Open Space District, the Sonoma Land Trust, or any other land protection agency or by the State of California or any political subdivision of the State, shall be considered to be a matching contribution from non-Federal sources in an amount that is equal to the fair market value of the land or interests in land, as determined by the Secretary.''.

By Mr. MURKOWSKI:

S. 1373. A bill to establish the Commonwealth of Guam, and for other purposes; to the Committee on Energy and Natural Resources.

THE GUAM COMMONWEALTH ACT

Mr. MURKOWSKI. Mr. President, I send to the desk, for appropriate reference, legislation to establish the Commonwealth of Guam. This measure is identical to H.R. 100 which was introduced by Congressman UNDERWOOD. I am introducing this measure at the request of Congressman UNDERWOOD and Governor Gutierrez of Guam.

The quest for self-government and recognition of the authority to determine the laws and programs that facilitate or impede our social, political, and economic growth are an integral part of the territorial history of this Nation. Even before the Constitution had been ratified, the Northwest Ordinance set the pattern for the territory subject to the new Federal Government. The ordinance set a policy that the territory would be settled as soon as possible and admitted into the Union with the other States. That policy, of full self-government and limited governance from the Federal Establishment, marked territorial policy until the beginning of this century.

While this century has seen the admission of States such as Arizona and New Mexico, as well as the more recent admission of Alaska and Hawaii, the progress of full self-government has been slower for most of the areas acquired as a result of the Spanish-American War or since that time. In 1898, a century ago, the United States acquired the Philippines, Guam, and Puerto Rico. In 1900 and 1904 treaties of cession confirmed the extension of sovereignty over American Samoa. In 1916

we acquired the Virgin Islands. In 1976 the covenant that provided the basis for the acquisition of the Northern Mariana Islands was enacted following a plebiscite in the islands.

These areas, with the exception of the Philippines, have not followed the path taken by the other territories of the United States. The Philippines achieved commonwealth and independence, although World War II delayed full implementation. Shortly after World War II, Puerto Rico was permitted to replace the local government provisions of federal organic legislation with a locally drafted Constitution and to elect its Governor. Not until the 1970's were Guam, the Virgin Islands, and American Samoa afforded the opportunity to popularly elect their own Governor. Also, during that period, Guam and the Virgin Islands were provided the opportunity to develop a constitution to govern local matters.

The Commonwealth of the Northern Mariana Islands and American Samoa are in a slightly different situation. American Samoa has a locally developed constitution promulgated by secretarial order and the Northern Marianas operate under the local constitution authorized under the covenant.

The process of local self-government and improvements in Federal-territorial relations has not stopped for any of these areas. This Congress has already seen as much attention as has occurred over the past decade. The Senate has passed legislation that provides the Virgin Islands with the same flexibility to issue short-and long-term bonds as the States enjoy. The Senate has also passed legislation that would reform the way surplus Federal lands are disposed of in Guam, providing the Government of Guam with an effective voice in decisions with respect to future land use management. We have also considered modifications requested by the executives in Guam and the Virgin Islands to the powers of the Governor and Lieutenant Governor. Both the Senate and the House have pending legislation to provide a referendum in Puerto Rico on future political status. In that context we are considering status in the larger constitutional context of Statehood or independence as well as possible refinements to the present relationship. We also have pending in the Senate legislation forwarded by the administration that would revise Federal-territorial relations with the Northern Marianas in the areas of minimum wage, immigration, and trade.

The legislation that I am introducing today is a very broad approach to Federal relations with Guam. The provisions address several different issues ranging from problems over resource allocation and use to operations of government to social and cultural issues. In the past decade since the voters in Guam approved the present draft, some of the provisions, such as judicial reform or disposal of excess Federal lands, have been addressed individually. Others may no longer be relevant due to other changes. The central issue, however, is as current and relevant as it was in 1982 when the voters in Guam decided to seek commonwealth as a means to obtain greater self-government.

The central issue is the proper role and authority of Federal versus local government. Where should decisions be made, be they right or wrong, and who should bear the burden of providing for the future? Should the Federal or local government have the authority to safeguard and manage local resources and provide for the health, safety, education, and welfare of the local residents? Should noncontiguous areas bear the burden of regulations crafted to meet the needs of the contiguous United States and for the administrative convenience of bureaucrats in Washington? I use the word noncontiguous because the concerns that led Guam to seek the provisions of this legislation are equally applicable to areas in Alaska or Hawaii. Status, in the constitutional sense, is not the problem or the answer, but rather the allocation of power and authority under the Constitution between Federal and local government.

An example of this would be the application of provisions of the Clean Air Act to Guam. Notwithstanding the fact that Guam is a relatively small island located in the western Pacific in the middle of the trade winds, it had to comply with the same emission requirements as did places like Los Angeles or Washington. My colleagues should remember that what made Guam so valuable to the Spanish was that the galleons leaving Acapulco were blown by the trade winds to Guam, where they reprovisioned prior to heading to Manila. The powerplants in Guam were required to install expensive scrubbers even though the nearest point of land was the Philippines. Eventually we managed to obtain a waiver for Guam, but it was only after years of effort by our committee, with the help I would note of my colleagues on the Environment and Public Works Committee, to convince EPA that granting a waiver for Guam was not a precedent for exempting the State of Nebraska. Alaska and Hawaii have not been as successful, I would note. Another example is the visa waiver that we finally managed to obtain for Guam for tourists.

These are not unique problems. Administrative convenience seems to always outweigh the realities of life in the noncontiguous areas, nor are our provisions uniform. In some instances, the difference in treatment aggravates the local unhappiness with Washington. Guam is the southernmost of the Mariana Islands. The Northern Mariana Islands, which can be seen from Guam, are not subject to the Jones Act, but Guam is. The Virgin Islands has an exception, but Guam does not. While I would never argue for uniformity as an inflexible principle, I do think that Washington can be considerably more creative than it has been, and certainly can be more understanding of the uniqueness of the noncontiguous areas.

Insensitivity is also a reason underlying some of the provisions of the legislation. The most recent example is the actions of the Fish and Wildlife Service in carrying out its land grab in Guam. Rather than devoting resources to the eradication of the brown tree snake, the Fish and Wildlife Service rushed to use the depredation caused by the snake as a reason for creating a refuge and overlay covering almost one-third of Guam. Well know habitat such as runways were covered. The reason for the rush to create the refuge is understandable since several of the native species are already extinct and the rest are scurrying for what little remains of their existence from the snake. If the Fish and Wildlife Service had not moved quickly, they would have had to defend creating the only refuge for non-existent species. I suppose they could have used it as a precedent for creating a refuge for dinosaurs in Utah and locking up whatever lands the President and Secretary Babbitt missed last year. In that context, I would suggest that at the next meeting of the Western Governors, the Governors of Guam and Utah swap stories of Federal land grabs.

I am in full sympathy with the objectives of this legislation. The Governor of Guam may feel that he is alone, but we in Alaska know full well what dealing with Washington entails. We also must deal with insensitive bureaucrats, acquisitive Secretaries, irrelevant stateside standards, and a wealth of officious and fussy Federal agencies who seem to have as their sole mission making life as difficult, expensive, and complex as possible. Guam at least has a central road system and the possibility of developing the southern end of the island—an option that Federal managers are committed to denying Alaska. I fully understand the frustrations that led the U.S. citizens in Guam to develop this legislation. Unfortunately, I must say that the problem is not the plenary authority of Congress under the Territorial Clause.

As I stated, this legislation is a companion measure to one introduced by Congressman UNDERWOOD and I am introducing it at his request and at the request of the Governor of Guam. I ask unanimous consent that a copy of the letter be included in the RECORD.

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

(See exhibit 1.)

Mr. MURKOWSKI. Mr. President, I do not necessarily support every provision in this legislation as drafted, but I do support the underlying objective of redressing the balance of power and authority between Washington and Agana. As a result of my trip to Guam last year, I introduced legislation to deal with the disposal of surplus Federal property and prevent any future

land grabs such as the one engaged in by the Fish and Wildlife Service. That legislation was not everything that either the Governor or I would have preferred, but I think that the end result of the Senate action, if finally enacted, will be a significant improvement in Federal-territorial relations. I intend to take the same constructive approach to the provisions of this legislation.

I appreciate that questions have been raised over some of the provisions from constitutional as well as policy grounds, but that should not be an excuse to avoid addressing the underlying concerns that led to the drafting and approval of those provisions by the voters in Guam. As I said before, we have a lot of experience with foolish and petty restrictions from Federal agencies. As a percentage, far more of Alaska is subject to Federal land domination and our communities suffer the consequences of an inability to obtain transportation and utility corridors across the Federal lands. I have sympathy and sensitivity to local cultural concerns as well because we also see Federal agencies trying to frustrate the benefits and protections afforded our Native Alaskans. Guam is concerned over the loss of the economic potential of its marine resources and Alaska holds the single most promising petroleum area on the continent.

I hope to meet shortly with the Governor and with members of the Guam Legislature to discuss the provisions of this legislation. I fully expect that the next few years will be particularly active for our Committee as we consider not only how to improve and strengthen local self-government in and revise Federal relations with Guam, but also deal with concerns that have arisen with some of the expectations and implementation of provisions of the Northern Marianas Covenant, political status in Puerto Rico, and renegotiation and extension of certain provisions of the Compacts of Free Association with the Republic of the Marshall Islands and the Federated States of Micronesia. Much has happened in the north Pacific since World War II and it is our responsibility to be as sensitive and responsible as possible to the needs and aspirations of the local governments who are either within or in free association with the United States. I encourage my colleagues to take the time to become more familiar with these areas and to take their particular needs and problems into consideration when crafting legislation. It is far easier to address the situation of the noncontiguous areas at the outset of legislative efforts, than it is to come in later when we have entrenched bureaucrats who see their power threatened if we act responsibly.

EXHIBIT 1

CARL T.C. GUTIERREZ,
GOVERNOR OF GUAM.

ROBERT A. UNDERWOOD,
MEMBER OF CONGRESS,
October 29, 1997.

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

DEAR CHAIRMAN MURKOWSKI: Today we had our first hearing on H.R. 100, the Guam Commonwealth Act, before the House Committee on Resources. As we work with the Members of the House Committee to perfect their version, we believe it is time to move forward and proceed to the next step in the process.

Therefore, we respectfully request your support for the introduction of companion legislation to this bill in the Senate and consideration of a hearing at the earliest possible convenience of the committee.

We pledge to work closely with you and your staff and assist you in any way we can.

Sincerely,

CARL T.C. GUTIERREZ,
Governor of Guam.
ROBERT A. UNDERWOOD,
Member of Congress.

By Mr. MCCAIN:

S. 1374. A bill to clarify that unmarried adult children of Vietnamese re-education camp internees are eligible for refugee status under the Orderly Departure Program; to the Committee on Foreign Relations.

THE ORDERLY DEPARTURE PROGRAM CLARIFICATION ACT OF 1997

Mr. MCCAIN. Mr. President, I rise to introduce legislation that is basically a technical correction to language that I had included in the fiscal year 1997 Omnibus Consolidated Appropriations Act. That language, and the legislation I offer today, are designed to make humanitarian exceptions for the unmarried adult children of former reeducation camp detainees seeking to emigrate to the United States under the Orderly Departure Program [ODP]. Despite what I considered to have been pretty unambiguous legislation in both word and intent, the Immigration and Naturalization Service and Department of State interpreted my amendment to the 1997 bill so as to exclude the very people to whom the provision was targeted.

An amendment identical to the bill I am introducing today was included, without objection, to the State Department authorization bill for fiscal year 1998. Because that bill is hung-up over an unrelated issue, and because the State Department ceased accepting new applications for the ODP at the end of September, it was imperative that another avenue be sought for attaining passage of this important legislation. I wish to reiterate that this is an uncontroversial bill, supported earlier this year by the Senate, and which enjoys the backing of the Department of State.

Prior to April 1995, the adult unmarried children of former Vietnamese re-education camp prisoners were granted derivative refugee status and were permitted to accompany their parents to the United States under a subprogram of the Orderly Departure Program.

This policy changed in April 1995. My amendment to fiscal year 1997 foreign operations appropriations bill, which comprises part of the Omnibus Appropriations Act, was intended to restore the status quo ante regarding the adult unmarried children of former prisoners. My comments in the CONGRESSIONAL RECORD from July 25, 1996, clearly spelled this out.

Unfortunately, certain categories of children who, prior to April 1995, had received derivative refugee status and whom Congress intended to be covered by last year's amendment, are now considered ineligible to benefit from that legislation.

First, prior to April 1995 the widows of prisoners who died in re-education camps were permitted to be resettled in the United States under this subprogram of the ODP, and their unmarried adult children were allowed to accompany them. These children are now considered ineligible to benefit from last year's legislation.

To ask these widows to come to the United States without their children is equal to denying them entry under the program. Many of these women are elderly and in poor health, and the presence of their children is essential to providing the semblance of a family unit with the care that includes.

The second problem stemming from INS and the State Department's interpretation of the 1997 language involves the roughly 20 percent of former Vietnamese re-education camp prisoners resettled in the United States who were processed as immigrants, at the convenience of the United States Government.

Their unmarried adult children, prior to April 1995, were still given derivative refugee status; however, the position of INS and State is that these children are now ineligible because the language in the fiscal year 1997 bill included the phrase ''processed as refugees for resettlement in the United States.''

That phrase was intended to identify the children of former prisoners being brought to the United States under the subprogram of the ODP and eligible to be processed as a refugee—which all clearly were—as distinct from the children of former prisoners who were not being processed for resettlement in the United States.

The fact that a former prisoner, eligible to be processed as a refugee under the ODP subprogram, was processed as an immigrant had no effect prior to April 1995, and their children were granted refugee status. The intention of last year s legislation was to restore the status quo ante, including for the unmarried adult children of former prisoners eligible for and included in this subprogram but resettled as migrants.

Mr. President, I urge support for this legislation.

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. 1374

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY FOR REFUGEE STATUS.

Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–171) is amended—

(1) in subsection (a)—

(A) by striking ''For purposes'' and inserting ''Notwithstanding any other provision of law, for purposes''; and

(B) by striking ''fiscal year 1997'' and inserting ''fiscal years 1997 and 1998''; and

(2) by amending subsection (b) to read as follows:

''(b) ALIENS COVERED.—

''(1) IN GENERAL.—An alien described in this subsection is an alien who—

''(A) is the son or daughter of a qualified national;

''(B) is 21 years of age or older; and

''(C) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

''(2) QUALIFIED NATIONAL.—For purposes of paragraph (1), the term 'qualified national' means a national of Vietnam who—

''(A)(i) was formerly interned in a reeducational camp in Vietnam by the Government of the Socialist Republic of Vietnam; or

''(ii) is the widow or widower of an individual described in clause (i); and

''(B)(i) qualified for refugee processing under the reeducation camp internees subprogram of the Orderly Departure Program; and

''(ii) on or after April 1, 1995, is accepted—

''(I) for resettlement as a refugee; or

''(II) for admission as an immigrant under the Orderly Departure Program.''.

By Mr. KOHL (for himself, Mr. FEINGOLD, Mr. BUMPERS, Mr. JOHNSON, Mr. BINGAMAN, and Mr. JEFFORDS):

S. 1375. A bill to promote energy conservation investments in Federal facilities, and for other purposes; to the Committee on Energy and Natural Resources.

THE FEDERAL ENERGY BANK ACT OF 1997

Mr. KOHL.

Mr. President, I rise today to introduce legislation entitled ''the Federal Energy Bank Act.'' The purpose of this legislation is to provide a stable long-term source of funding for energy efficiency projects throughout the Federal Government. If we are to start the Nation on the road toward increased energy conservation we must begin with the Federal Government. This bill will help provide the necessary investments to make this first step toward long-term energy conservation possible.

I have long believed that our Nation must implement a sensible national energy policy which emphasizes greater energy conservation and efficiency, as well as the development of renewable resources. This bill is just one step of many that need to be taken to reduce our energy consumption problems. The events in the Middle East, coupled with the environmental problems associated with the use of fossil fuels, have only increased the need for improved energy conservation. Simply put, we cannot continue to rely on imported oil to meet such a large part of our Nation's energy needs. This dependence places our economic security at great risk. At present, petroleum imports account for fully one-half of our trade deficit. In addition, the use of oil and other fossil fuels contributes to global climate change, air pollution, and acid rain.

Mr. President our attempts to remedy this situation are nothing new. In fact, the laws requiring significant energy use reductions are already in place. The Energy Policy Act of 1992 mandated that Federal agencies use cost-effective measures, with less than a 10-year payback, to reduce energy consumption in their facilities by 20 percent by the year 2000 compared to 1985 levels. President Clinton, with Executive Order 12902, extended the mandate by requiring Federal agencies to reduce energy consumption by 30 percent by the year 2005 compared to 1985 energy uses. If accomplished, this would save the American taxpayer millions in annual energy costs and in turn put us on the road to future energy savings. This would also improve our environment, our balance of trade, and our national security.

But the road toward energy efficiency or even self-sufficiency is not an easy one and requires capital investment. The administration and Congress must back their policies with real dollars for investment in energy efficiency projects. According to the recent Federal energy efficiency and water conservation study, drafted by the Department of Energy, an investment of $5.7 billion is required through 1996 to 2005 to meet National Energy Policy and Conservation Act and Executive order goals. The best estimate of the total funding available has resulted in a shortfall of $2 billion. Without significant funding the goals as set forth by the President will not be met. Laws and mandates alone will not solve our energy problems. It requires long-term capital investment.

Mr. President, my business background has taught me that most large paybacks come from positive long-term investments. Unfortunately, the Federal Government does not traditionally take this approach. More often that not, it seeks short-term savings and cuts which do not address the problem of energy consumption or encourage future energy conservation.

Mr. President, my bill will help address this funding shortfall. The bill creates a bank to fund the purchase of energy efficiency projects by Federal agencies and in the long run will reduce the overall amount of money spent on energy consumption by the Federal Government. For each of the fiscal years 1999, 2000, 2001, each Federal agency will contribute an amount equal to 5 percent of its previous year's utility costs into a fund or bank managed by the Secretary of the Treasury.

The Secretary of Energy will authorize loans from the bank to any Federal agency for use toward investment in energy efficiency projects. The agency will then repay the loan, making the bank self-supporting after a few years. The Secretary of Energy will also establish selection criteria for each energy efficiency project, determining the project is cost-effective and produces a payback in 3 years or less. Agencies will be required to report the progress of each project with a cost of more than $1 million to the Secretary 1 year after installation. The Secretary will then report to Congress each year on all the operations of the bank.

Mr. President, this bill will provide the real dollars required to make the Executive order goals a reality. The Congressional Budget Office has projected a 5-year savings for the bill at $3 million. Our energy savings will be even greater over the long term.

Mr. President, in closing I would like to thank Johnson Controls, the largest public company in Wisconsin, for their continued leadership and input on this bill. As a maker of energy conservation systems, Johnson has provided me with the real world insights that have helped me draft a bill that attempts to address our energy conservation needs.

Mr. President, I ask unanimous consent the full text of the bill be printed in full in the RECORD. I urge my colleagues to support this bill and will push for its early enactment.

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

S. 1375

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 ''Federal Energy Bank Act''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) energy conservation is a cornerstone of national energy security policy;

(2) the Federal Government is the largest consumer of energy in the economy of the United States;

(3) many opportunities exist for significant energy cost savings within the Federal Government; and

(4) to achieve the energy savings required by Executive Order, the Federal Government must make significant investments in energy savings systems and products, including energy management control systems.

(b) PURPOSE.—The purpose of this Act is to promote energy conservation investments in Federal facilities.

SEC. 3. DEFINITIONS.

In this Act:

(1) AGENCY.—The term ''agency'' means—

(A) an Executive agency (as defined in section 105 of title 5, United States Code, except that the term also includes the United States Postal Service);

(B) Congress and any other entity in the legislative branch; and

(C) a court and any other entity in the judicial branch.

(2) BANK.—The term ''Bank'' means the Federal Energy Bank established by section 4.

(3) ENERGY EFFICIENCY PROJECT.—The term ''energy efficiency project'' means a project that assists an agency in meeting or exceeding the energy efficiency goals stated in—

(A) part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.);

(B) subtitle F of title I of the Energy Policy Act of 1992; and

(C) applicable Executive orders, including Executive Order Nos. 12759 and 12902.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(5) TOTAL UTILITY PAYMENTS.—The term ''total utility payments'' means payments made to supply electricity, natural gas, and any other form of energy to provide the heating, ventilation, and air conditioning, lighting, and other energy needs of an agency facility.

SEC. 4. ESTABLISHMENT OF BANK.

(a) IN GENERAL.—There is established in the Treasury of the United States a trust fund to be known as the ''Federal Energy Bank'', consisting of—

(1) such amounts as are appropriated to the Bank under section 8;

(2) such amounts as are transferred to the Bank under subsection (b);

(3) such amounts as are repaid to the Bank under section 5(b)(4); and

(4) any interest earned on investment of amounts in the Bank under subsection (c).

(b) TRANSFERS TO BANK.—

(1) IN GENERAL.—At the beginning of each of fiscal years 1999, 2000, and 2001, each agency shall transfer to the Secretary of the Treasury, for deposit in the Bank, an amount equal to 5 percent of the total utility payments paid by the agency in the preceding fiscal year.

(2) UTILITIES PAID FOR AS PART OF RENTAL PAYMENTS.—The Secretary shall by regulation establish a formula by which the appropriate portion of a rental payment that covers the cost of utilities shall be considered to be a utility payment for the purposes of paragraph (1).

(c) INVESTMENT OF FUNDS.—The Secretary of the Treasury shall invest such portion of funds in the Bank as is not, in the Secretary's judgment, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

SEC. 5. LOANS FROM THE BANK.

(a) IN GENERAL.—The Secretary of the Treasury shall transfer from the Bank to the Secretary such amounts as are appropriated to carry out the loan program under subsection (b).

(b) LOAN PROGRAM.—

(1) IN GENERAL.—In accordance with section 6, the Secretary shall establish a program to loan amounts from the Bank to any agency that submits an application satisfactory to the Secretary in order to finance an energy efficiency project.

(2) PERFORMANCE CONTRACTING FUNDING.—To the extent practicable, an agency shall not submit a project for which performance contracting funding is available.

(3) PURPOSES OF LOAN.—

(A) IN GENERAL.—A loan under this section may be made to pay the costs of—

(i) an energy efficiency project; or

(ii) development and administration of a performance contract.

(B) LIMITATION.—An agency may use not more than 15 percent of the amount of a loan under subparagraph (A)(i) to pay the costs of administration and proposal development (including data collection and energy surveys).

(4) REPAYMENTS.—

(A) IN GENERAL.—An agency shall repay to the Bank the principal amount of the energy efficiency project loan plus interest at a rate determined by the President, in consultation with the Secretary and the Secretary of the Treasury.

(B) WAIVER.—The Secretary may waive the requirement of subparagraph (A) if the Secretary determines that payment of interest by an agency is not required to sustain the needs of the Bank in making energy efficiency project loans.

(5) AGENCY ENERGY BUDGETS.—Until a loan is repaid, an agency budget submitted to Congress for a fiscal year shall not be reduced by the value of energy savings accrued as a result of the energy conservation measure implemented with funds from the Bank.

(6) AVAILABILITY OF FUNDS.—An agency shall not rescind or reprogram funds made available by this Act. Funds loaned to an agency shall be retained by the agency until expended, without regard to fiscal year limitation.

SEC. 6. SELECTION CRITERIA.

(a) IN GENERAL.—The Secretary shall establish criteria for the selection of energy efficiency projects to be awarded loans in accordance with subsection (b).

(b) SELECTION CRITERIA.—The Secretary may make loans only for energy efficiency projects that—

(1) are technically feasible;

(2) are determined to be cost-effective using life cycle cost methods established by the Secretary by regulation;

(3) include a measurement and management component to—

(A) commission energy savings for new Federal facilities; and

(B) monitor and improve energy efficiency management at existing Federal facilities; and

(4) have a project payback period of 3 years or less.

SEC. 7. REPORTS AND AUDITS.

(a) REPORTS TO THE SECRETARY.—Not later than 1 year after the installation of an energy efficiency project that has a total cost of more than $1,000,000, and each year thereafter, an agency shall submit to the Secretary a report that—

(1) states whether the project meets or fails to meet the energy savings projections for the project; and

(2) for each project that fails to meet the savings projections, states the reasons for the failure and describes proposed remedies.

(b) AUDITS.—The Secretary may audit any energy efficiency project financed with funding from the Bank to assess the project's performance.

(c) REPORTS TO CONGRESS.—At the end of each fiscal year, the Secretary shall submit to Congress a report on the operations of the Bank, including a statement of the total receipts into the Bank, and the total expenditures from the Bank to each agency.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

Mr. FEINGOLD. Mr. President, I am delighted to join with my colleague, the senior Senator from Wisconsin [Mr. KOHL] as an original co-sponsor of the Federal Energy Bank Act.

The idea of the Federal Government leading by example in the area of energy efficiency has made sense to me for a long time, so much so, in fact, that in campaigning for the Senate in 1992, I included energy efficiency in my campaign platform. I proposed an 82-point plan to reduce the deficit, a series of specific spending reductions and revenue changes which, if enacted in sum total, would have eliminated the deficit.

Among those items, as I was a candidate for office after the passage of the 1992 Energy Policy Act and after the United States' signing of the Framework Convention on Climate Change in Rio de Janeiro, Brazil, was one to encourage the Federal Government to implement a comprehensive energy savings program for the Federal Government through energy efficiency investments.

After all, I believe that if Wisconsin consumers and business have been converted to the wisdom of compact fluorescent light bulbs, efficient heating and cooling systems, weatherization, and energy saving computers, among the wide range of potential efficiency improvements, that the Federal Government promoting those actions should also make the same investments to the taxpayers' benefit.

Section 152 of the Energy Policy Act mandated that Federal agencies use all cost-effective measures that could be implemented with less than a 10-year payback to reduce energy consumption in their facilities by 20 percent by the year 2000 compared to 1985 consumption levels.

On March 8, 1994, President Clinton signed Executive Order 12902. This order was an even more aggressive mandate to improve energy efficiency in Federal buildings nationwide by requiring agencies to use cost-effective measures to reduce energy use by fiscal year 2005 by 30 percent compared with the agency's 1985 energy use.

After taking office, I have learned that among the most significant constraints to implementing more energy efficient practices in the Federal Government is the lack of sufficient funds to invest in energy efficient equipment.

Section 162 of the Energy Policy Act of 1992 directed the Secretary of Energy to conduct a detailed study of options for financing energy and water conservation measures in Federal facilities as required under the act and by subsequent Executive orders. On June 3, 1997, the Secretary of Energy, Mr. Penã released that study. It documents a need for a $5.7 billion financial investment between 1996 and 2005 to meet the Energy Policy Act and Executive order goals, a value which could vary from a low of $4.4 billion to a high of $7.1 billion given variability in both energy and water investment requirements.

The best estimate, according to the same study of the total Federal funding available to spend on energy and water efficiency improvements from various sources, including direct agency appropriations, energy savings performance contracts, and utility demand-side management programs, and appropriations to the Federal energy efficiency fund, to the Federal Government to meet those needs over the same time period is $3.7 billion. Thus, under DOE's best estimate, at the Federal level we face a potential shortfall of funds necessary to achieve our Federal energy and water conservation objectives of $2 billion.

In order to address this shortfall, I am pleased joining as a cosponsor of this legislation to create a Federal energy revolving fund or ''energy bank.''

Some in this body may be concerned that the existence of the current Federal energy efficiency fund alleviates the need for additional Federal conservation investment. The problem with the current fund, which operates as a grant program for agencies to make efficiency improvements, is that it does not contribute to the replenishment of capital resources because it does not have to be paid back and is therefore dependent upon appropriations.

Under the legislation, I join in cosponsoring with my colleague from Wisconsin today, Federal agencies will be required, in fiscal years 1998–2000, to deposit an amount equal to 5 percent of their total utility payments in the proceeding fiscal year to capitalize the fund. After 2000, the Secretary of Energy will determine an amount necessary to ensure that the fund meets its obligations.

Agencies will then be able to get a loan from the fund to finance efficiency projects, which they will be responsible for repaying with interest. The projects must use off-the-shelf technologies and must be cost effective.

The best part of this approach is that the technologies are required to have a 3-year pay back period, and, therefore, this legislation achieves some modest savings for the taxpayer. CBO scores this measure as saving $3 million over 5 years.

In addition to savings for the taxpayer, I am also pleased to assist the Federal Government in advancing what I believe to be an important part of our overall strategy to combat greenhouse gas emissions. As many in the body are aware, President Clinton announced his plan for meeting the challenge of global climate change on October 22, 1997, in preparation for negotiating meetings in Bonn, Germany on a new protocol to the Climate Convention. Among the items the President cited was the need to do more in the area of federal energy management. Aggressive energy management can reduce carbon emissions from the activities of the Federal Government, which, the President indicated, has the Nation's largest energy bill at almost $8 billion per year. The President specifically stated that there is a need to improve federal procurement of energy efficient technologies, and this measure is a positive, proactive measure to ensure that federal agencies specifically set aside funds to achieve this goal. The senior Senator from Wisconsin [Mr. KOHL] and I look forward to working with the administration to advance this legislation as a piece of the country's overall greenhouse gas reductions strategy.

In conclusion, I look forward to working with my senior Senator on this issue. I believe that this is a unique opportunity for Senate colleagues to support legislation that is both fiscally responsible and environmentally sound.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1376. A bill to increase the Federal medical assistance percentage for Hawaii to 59.8 percent; to the Committee on Finance.

THE HAWAII FEDERAL MEDICAL ASSISTANCE PERCENTAGE ADJUSTMENT ACT OF 1997

Mr. AKAKA. Mr. President, I rise today to introduce legislation to adjust the Federal medical assistance percentage [FMAP] rate for Hawaii to reflect more fairly the State's ability to bear its share of Medicaid payments. I am pleased that my colleague, the senior Senator from Hawaii, Senator INOUYE, has joined me as a sponsor of this measure.

The Federal share of Medicaid payments varies depending on each State's ability to pay—wealthier States bear a larger share of the cost of the program, and thus have lower FMAP rates. Per capita income is used as the measure of State wealth. Because per capita income in Hawaii is quite high, the State's FMAP rate is at the lowest level—50 percent. Hawaii is one of only a dozen States whose FMAP rate is at the 50 percent level. My bill would increase Hawaii's FMAP rate from 50 percent to 59.8 percent.

Because of our geographic location and other factors, the cost of living in Hawaii greatly exceeds the cost of living in the mainland States. Per capita income is a poor measure of a State's relative ability to bear the cost of Medicaid services. An excellent analysis of this issue is included in the 21st edition of ''The Federal Budget and the States'', a joint study conducted by the Taubman Center for State and local Government at Harvard University's John F. Kennedy School of Government and the office of U.S. Senator DANIEL PATRICK MOYNIHAN. According to the study, if per capita income is measured in real terms, Hawaii ranks 47th at $19,755 compared to the national average of $24,231. This sheds a totally different light on the State's financial status.

The cost of living in Honolulu is 83 percent higher than the average of the metropolitan areas tracked by the U.S. Census Bureau, based on 1995 data. Recent studies have shown that for the State as a whole, the cost of living is more than one-third higher than the rest of the U.S. In fact, Hawaii's Cost of Living Index ranks it as the highest in the country. Some government programs take the high cost of living in Hawaii into account and funding is adjusted accordingly. These include Medicare prospective payment rates, food stamp allocations, school lunch programs, housing insurance limits, and military living expenses.

These examples reflect the recognition that the higher cost of living in noncontiguous States should be taken into account in fashioning government program policies. It is time for similar recognition of this factor in gauging Hawaii's ability to support its health care programs. During consideration of the Balanced Budget Act this past summer, the Senate included a provision increasing Alaska's FMAP rate to 59.8 percent for the next 3 years. Setting a higher match rate as was done for Alaska would still leave Hawaii with a lower FMAP rate than a majority of the States, but would better recognize Hawaii's ability to pay its fair share of the costs of the Medicaid program.

Despite the high cost of living, the Harvard-Moynihan study finds that Hawaii also has one of the highest poverty rates in the Nation. The State's 16.9 percent poverty rate is ranked eighth in the country, compared to the national average of 14.7 percent. These higher cost levels are reflected in State government expenditures and State taxation. Thus, on a per capita basis State revenue and expenditures are far higher in Hawaii, as well as Alaska, than in the 48 mainland States. The higher expenditure levels are necessary to assure an adequate level of public services which are more costly to provide in these States.

Of the top 10 States with the highest poverty rates in the country, the Harvard-Moynihan study finds that only 3 others have an FMAP rate between 50–60 percent. The other six States have FMAP rates of 65 percent and higher. Even more astonishing is that of the top 10 States with the lowest real per capita income, only Hawaii has a 50-percent FMAP rate.

To bring equity to this situation, Hawaii has sought an increase in its FMAP rate over the past several years. Just as we did for Alaska this past summer, Hawaii should be included in this long-warranted change, as the same factors justifying an increase for Alaska apply to Hawaii. Recognition of this point was made by House and Senate conferees to the Balanced Budget Act. The conferees, on page 879 of the conference report, note that poverty guidelines for Alaska and Hawaii are different than those for the rest of the Nation, yet there is no variation from the national calculation in the FMAP. The conferees correctly noted that comparable adjustments are generally made for Alaska and Hawaii.

The case for an FMAP increase is especially compelling in Hawaii, which has a proud history of providing essential health services in an innovative and cost-effective manner. That commitment is not easy to fulfill. Unlike most States, for example, Hawaii's Aid to Families with Dependent Children/Temporary Assistance for Needy Families [AFDC/TANF] caseloads have been increasing dramatically. In Hawaii, our caseload has risen by 21 percent since 1994 compared to a national decline of 23 percent during this same period. Since TANF block grants are based on

historical spending levels, the increased demand has placed extreme pressure on State resources.

Hawaii has sought to maintain a social safety net while striving for more efficient delivery of government services. The most striking example is the QUEST Medical Assistance Program, which operates under a Federal waiver. QUEST has brought managed care and broader coverage to the State's otherwise uninsured populations. At the same time, Hawaii is the only State whose employers guarantee health care coverage to every full-time employee, a further example of Hawaii's commitment to a strong social support system.

There is a particularly strong need for a more suitable FMAP rate for Hawaii now. The State has not participated in the economic growth that has benefitted most of the rest of the Nation. Hawaii's unemployment rate is above the national average and State tax revenues have fallen short of projected estimates. The need to fund 50 percent of the cost of the Medicaid program puts an increasing strain on the State's resources.

For all of these reasons, the FMAP rates for Hawaii should be adjusted to reflect more equitably the State's ability to support the Medicaid program. This will assure that the special problem of the noncontiguous States is dealt with in a principled manner. I believe it is also important to point out that based on Hawaii's current Medicaid spending level of approximately $700 million, each percentage point increase in our FMAP rate would provide approximately $7 million annually in additional Federal funds. Thus, the cost of enhancing the State's FMAP rate would be relatively modest.

I urge my colleagues in the Senate to support an upward adjustment in Hawaii's Federal medical assistance percentage.

Mr. President, in closing, 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. 1376

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASED FMAP FOR HAWAII.

(a) INCREASED FMAP.—The first sentence of section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)), as amended by section 4725 of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 418), is amended—

(1) by striking ''and (3)'' and inserting '', (3)''; and

(2) by inserting before the period at the end the following: '', and (4) for purposes of this title and title XXI, the Federal medical assistance percentage for Hawaii shall be 59.8 percent''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to—

(1) items and services furnished on or after October 1, 1997, under—

(A) a State plan or under a waiver of such plan under title XIX; and

(B) a State child health plan under title XXI of such Act;

(2) payments made on a capitation or other risk-basis for coverage occurring under plans under such titles on or after such date; and

(3) payments attributable to DSH allotments for Hawaii determined under section 1923(f) of such Act (42 U.S.C. 1396r–4(f)) for fiscal years beginning with fiscal year 1998.

By Mr. DEWINE (for himself, Mr. MOYNIHAN, Mr. HATCH, Mr. D'AMATO, Mr. DODD, Mr. KOHL, Mr. COVERDELL, Mr. KENNEDY, Mr. INOUYE, Mr. LIEBERMAN, Ms. SNOWE, Mr. HUTCHINSON, Mr. THURMOND, Mr. MCCAIN, Mr. SHELBY, Mr. CAMPBELL, and Mr. WYDEN):

S. 1379. A bill to amend section 552 of title 5, United States Code, and the National Security Act of 1947 to require disclosure under the Freedom of Information Act regarding certain persons, disclose Nazi war criminal records without impairing any investigation or prosecution conducted by the Department of Justice or certain intelligence matters, and for other purposes; to the Committee on the Judiciary.

THE NAZI WAR CRIMES DISCLOSURE ACT

Mr. DEWINE. Mr. President, I am pleased to be part of a bipartisan group of Senators, led by my friend from New York, Senator MOYNIHAN, to introduce the Nazi War Crimes Disclosure Act. Passage of this legislation will lift the last remaining veils of secrecy on one of the darkest periods in human history.

the Nazi War Crimes Disclosure Act represents what I hope will be the culmination of work begun in the last Congress to release U.S. Government-held records of Nazi war criminals, the Nazi Holocaust, and the trafficking of Nazi-held assets.

Just 2 years ago, we celebrated the 50th anniversary of the end of the Second World War, and with it, the Nazis' death grip on an entire continent. Since that time, searingly detailed accounts of the Nazi Holocaust have come to our attention.

We have learned so much. Yet, if the last few years are any indication, we still have so much more to learn.

After the fall of Communist rule, Russia and several former Soviet-bloc nations opened volumes of secret files on Nazi war crimes. Argentina has cooperated in the public release of its files. British Government records are being declassified and made available for public scrutiny. And over the past year, Swiss banks and the Swiss Government have been under intense international pressure to make a full accounting of unclaimed funds belonging to Holocaust victims, as well as Nazi assets that may have once belonged to Holocaust victims.

Mr. President, here at home, our own Government has been gradually making records available about what it knew of Nazi-related activities and atrocities. Earlier this year, a Government-conducted study revealed new information about what the U.S. Government knew regarding the transfer and flow of funds held by Nazi officials. This report found that the U.S. Government was aware that the Nazi mint took gold stolen from European central banks and melted it together with gold obtained in horrible fashion—from tooth-fillings, wedding bands and other items seized from death camp victims. Last Sunday's New York Times detailed newly released Government documents that described how the Federal Reserve Bank of New York had melted down and recast hundreds of Nazi-held gold bars. According to the released records, the U.S. Government knew that a good portion of this gold had been looted from the Netherlands and Belgium. It is not known if any of these bars contained gold from Holocaust victims, or to what extent the U.S. Government knew it.

Mr. President, earlier today, at a press conference to announce the introduction of this legislation, I had on display several aerial U.S. intelligence photographs taken in 1944. The pictures were of Auschwitz, with prisoners being led to the gas chambers. These pictures were discovered by photo analysts from the Central Intelligence Agency in 1978. They confirm what we had heard from the Polish underground that a death camp did in fact exist at Auschwitz. They also demonstrated that our Government had photographs of these camps as these atrocities were occurring.

These pictures tell a grisly story. How many more exist? With our legislation, we intend to answer that question.

So, the fact is, the dark tragedy of the Nazi Holocaust, which ended more than 60 years ago, has been unfolding long after these tragic events occurred and is still unfolding with each new release of information.

Both Congress and the President have taken action to promote the release of Government-held records during this tragic era. On April 17, 1995, the President issued an Executive order calling for the release of national security data and information older than 25 years. Last year, thanks to the tireless efforts of my friend from New York, Senator MOYNIHAN and Representative CAROLYN MALONEY and several others, Congress passed a sense-of-the-Congress resolution, which stated that any U.S. Government agencies should make public any records in its possession about individuals who are alleged to have committed Nazi war crimes. The President agreed, noting that learning the remaining secrets about the Holocaust are in the clear public interest.

The Nazi War Crimes Disclosure Act is designed to put the concerns expressed by the last Congress into strong action. What our bill would do is amend the Freedom of Information Act to establish a presumption that Nazi war criminal records are to be made available to the public. This means that all materials would be required to be released in their entirety unless a Federal agency head concludes

that the release of all or part of these records would compromise privacy or national security interests. The agency head must notify Congress of any determination to not release records.

To facilitate this process, the bill would establish the Nazi War Criminal Records Interagency Working Group. This working group would to the greatest extent possible locate, identify, inventory, declassify, and make available for the public all Nazi war records held by the United States.

This pro-active search is necessary because a full Government search and inventory has never been completed. For example, some documents that surfaced this spring were found in holdings related to Southeast Asia.

Our bill would be targeted toward two classes of Nazi-related materials: First, war crimes information regarding Nazi persecutions; and second, any information related to transactions involving assets of Holocaust and other Nazi victims.

In summary, what we are trying to do with this bill is strike a clear balance between our Government's legitimate privacy and national security interests and the people's desire to know the truth about Nazi atrocities. These records, once released, will be held in a repository at the National Archives.

This bill is a bipartisan effort to ensure the Federal Government has done all it can to ensure Holocaust victims and their families can obtain the answers they need.

Again, this bill is the culmination of years of tireless work by a number of leaders. First, I want to pay special tribute to the Senators from New York—both have worked tirelessly on Holocaust related legislation for years. Senator MOYNIHAN has been a leader in the drive to declassify U.S. Government records and a well-respected historian. He championed the release of the so-called VENONA cables that confirmed that the Soviet Union had an active spy network that had penetrated our Government. I am pleased to be working with Senator MOYNIHAN on a similar endeavor—the cataloging and declassification of as many World War II documents on the Holocaust as possible.

Senator D'AMATO has worked to make public scores of Swiss bank records and lost accounts of Holocaust victims. His efforts inspired us to redraft our legislation to ensure the Federal Government releases records related to the trafficking of Nazi-held assets.

This bill has the support of the chairmen of the Judiciary and Intelligence Committees—respectively, my friend from Utah, Senator HATCH, and my friend from Alabama, Senator SHELBY.

Mr. President, I also would be remiss if I did not mention my friend from Wisconsin, Senator KOHL, who serves with me on the Antitrust Subcommittee on the Judiciary Committee. He has brought insight on this issue that none of us has.

Together, with this kind of bipartisan support, I am hopeful we can move this legislation quickly through Congress and to the President early next year. As a member of the Intelligence Committee, I intend to make this a priority issue—so that people from my State and across our Nation can have access to the most complete inventory of U.S. Government records on the Holocaust. The clock is running, and time is running out for so many victims of the Holocaust. They, and history itself, deserve to know as much as possible about this tragic chapter in the story of humanity.

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. 1379

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 ''Nazi War Crimes Disclosure Act''.

SEC. 2. REQUIREMENT OF DISCLOSURE UNDER FREEDOM OF INFORMATION REGARDING PERSONS WHO COMMITTED NAZI WAR CRIMES.

(a) IN GENERAL.—Section 552 of title 5, United States Code, is amended—

(1) in subsection (a)(4)(B) in the second sentence, by inserting ''or subsection (h)'' after ''subsection (b)''; and

(2) by inserting after subsection (g) the following:

''(h)(1) For the purposes of this subsection, the term 'Nazi war criminal records' means records or portions of records that—

''(A) pertain to any person as to whom the United States Government, in its sole discretion, has determined there exists reasonable grounds to believe that such person, during the period beginning on March 23, 1933, and ending on May 8, 1945, under the direction of, or in association with—

''(i) the Nazi government of Germany;

''(ii) any government in any area occupied by the military forces of the Nazi government of Germany;

''(iii) any government established with the assistance or cooperation of the Nazi government of Germany; or

''(iv) any government which was an ally of the Nazi government of Germany,

ordered, incited, assisted, or otherwise participated in the persecution of any person because of race, religion, national origin, or political opinion; or

''(B) pertain to any transaction as to which the United States Government, in its sole discretion, has determined there exists reasonable grounds to believe—

''(i) involved assets taken from persecuted persons during the period beginning on March 23, 1933, and ending on May 8, 1945, by, under the direction of, on behalf of, or under authority granted by the Nazi government of Germany or any nation then allied with that government; and

''(ii) such transaction was completed without the assent of the owners of those assets or their heirs or assigns or other legitimate representatives.

''(2)(A) Notwithstanding subsection (b), this subsection shall apply to Nazi war criminal records.

''(B) Subject to subparagraphs (C), (D), and (E), Nazi war criminal records that are responsive to a request for records made in accordance with subsection (a) shall be released in their entirety.

''(C) An agency head may exempt from release under subparagraph (B) specific information, the release of which should be expected to—

''(i) constitute a clearly unwarranted invasion of personal privacy;

''(ii) reveal the identity of a confidential human source, or reveal information about the application of an intelligence source or method, or reveal the identity of a human intelligence source when the unauthorized disclosure of that source would clearly and demonstrably damage the national security interests of the United States;

''(iii) reveal information that would assist in the development or use of weapons of mass destruction;

''(iv) reveal information that would impair United States cryptologic systems or activities;

''(v) reveal information that would impair the application of state-of-the-art technology within a United States weapon system;

''(vi) reveal actual United States military war plans that remain in effect;

''(vii) reveal information that would seriously and demonstrably impair relations between the United States and a foreign government, or seriously and demonstrably undermine ongoing diplomatic activities of the United States;

''(viii) reveal information that would clearly and demonstrably impair the current ability of United States Government officials to protect the President, Vice President, and other officials for whom protection services, in the interest of national security, are authorized;

''(ix) reveal information that would seriously and demonstrably impair current national security emergency preparedness plans; or

''(x) violate a statute, treaty, or international agreement.

''(D) In applying exemptions (ii) through (x) of subparagraph (C), there shall be a presumption that the public interest in the release of Nazi war criminal records outweighs the damage to national security that might reasonably be expected to result from disclosure. The agency head, as an exercise of discretion, may rebut this presumption with respect to a Nazi war criminal record, or portion thereof, based on an exemption listed in subparagraph (C). The exercise of this discretion shall be promptly reported to the committees of Congress with appropriate jurisdiction.

''(E) This subsection shall not apply to records—

''(i) related to or supporting any active or inactive investigation, inquiry, or prosecution by the Office of Special Investigations of the Department of Justice; or

''(ii) in the possession, custody or control of that office.''.

(b) INAPPLICABILITY OF NATIONAL SECURITY ACT OF 1947 EXEMPTION.—Section 701 of the National Security Act of 1947 (50 U.S.C. 431) is amended—

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

(2) by inserting after subsection (d) the following:

''(e) Subsection (a) shall not apply to any operational file, or any portion of any operational file, that constitutes a Nazi war criminal record under section 552(h) of title 5, United States Code.''.

SEC. 3. INTERAGENCY INVENTORY OF NAZI WAR CRIMINAL RECORDS.

(a) DEFINITIONS.—In this section the term—

(1) ''agency'' has the meaning given such term under section 551 of title 5, United States Code;

(2) ''Interagency Group'' means the Nazi War Criminal Records Interagency Working Group established under subsection (b);

(3) ''Nazi war criminal records'' has the meaning given such term under section 552(h)(1) of title 5, United States Code (as added by section 2(a)(2) of this Act); and

(4) ''record'' means a Nazi war criminal record.

(b) ESTABLISHMENT OF INTERAGENCY GROUP.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the President shall establish the Nazi War Criminal Records Interagency Working Group.

(2) MEMBERSHIP.—The President shall appoint to the Interagency Group the heads of agencies who the President determines will most completely and effectively carry out the functions of the Interagency Group within the time limitations provided in this section. The head of an agency appointed by the President may designate an appropriate officer to serve on the Interagency Group in lieu of the head of such agency.

(3) INITIAL MEETING.—Not later than 90 days after the date of enactment of this Act, the Interagency Group shall hold an initial meeting and begin the functions required under this section.

(c) FUNCTIONS.—Not later than 1 year after the date of enactment of this Act, the Interagency Group shall, to the greatest extent possible consistent with section 552(h)(2) of title 5, United States Code (as added by section 2(a)(2) of this Act)—

(1) locate, identify, inventory, recommend for declassification, and make available to the public at the National Archives and Records Administration, all Nazi war criminal records of the United States;

(2) coordinate with agencies and take such actions as necessary to expedite the release of such records to the public; and

(3) submit a report to Congress describing all such records, the disposition of such records, and the activities of the Interagency Group and agencies under this section.

SEC. 4. EXPEDITED PROCESSING OF REQUESTS FOR NAZI WAR CRIMINAL RECORDS.

(a) DEFINITIONS.—In this section, the term—

(1) ''Nazi war criminal record'' has the meaning given the term under section 552(h)(1) of title 5, United States Code (as added by section 2(a)(2) of this Act); and

(2) ''requester'' means any person who was persecuted in the manner described under section 552(h)(1)(A) of title 5, United States Code (as added by section 2(a)(2) of this Act), who requests a Nazi war criminal record.

(b) EXPEDITED PROCESSING.—For purposes of expedited processing under section 552(a)(6)(E) of title 5, United States Code, any requester of a Nazi war criminal record shall be deemed to have a compelling need for such record.

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall apply to requests under section 552 of title 5, United States Code (known as Freedom of Information Act requests) received by an agency after the expiration of the 90-day period beginning on the date of enactment of this Act.

Mr. MOYNIHAN. Mr. President, today we introduce a revised War Crimes Disclosure Act which Senators D'AMATO, DODD and I originally sponsored in the 104th Congress as a companion to a measure introduced by Representative MALONEY.

The measure is a simple one. It requires the disclosure of information under the Freedom of Information Act regarding individuals who participated in Nazi war crimes. This bill, which Senator DEWINE has carefully crafted, builds on our original measure by expanding its scope to include information regarding stolen assets of the victims of Nazi war crimes, and by requiring a Governmentwide search of records to ensure the release of as many relevant documents as possible. A similar search for information regarding Nazi assets was recently conducted under the direction of Stuart Eizenstat, with significant results.

Ideally, documents regarding Nazi war crimes would be made available to the public without further legislation and without having to go through the slow process involved in getting information through the Freedom of Information Act [FOIA]. Unfortunately, this is not the case. Researchers seeking information on Nazi war criminals are denied access to relevant materials in the possession of the United States Government, even when the disclosure of these documents no longer poses a threat to national security—if indeed such disclosure ever did.

Perhaps the most important provision contained in the legislation is the balancing test. This requires that ''there shall be a presumption that the public interest in the release of Nazi war criminal records outweighs the damage to national security that might reasonably be expected to result from disclosure.'' The provision is in keeping with the report of the Commission on Protecting and Reducing Government Secrecy which recommended that such a balancing test be applied in all classification decisions.

The Commission on Protecting and Reducing Government Secrecy was the second statutory examination of Government secrecy. I was honored to Chair the Commission; Representative COMBEST served as vice-chairman. Also serving on the Commission were John Deutch, Martin Faga, John Podesta, and Samuel Huntington. We presented our report to the President in March, and the congressional members of the Commission introduced legislation to implement the recommendations of the Commission in May.

We have welcomed the many editorials and feature articles supporting our efforts as, in the words of the Sacramento Bee, a ''sensible, much-needed proposal for reforming runaway classification of secrets by the federal government.'' And Albany's Times Union assessment that our bill represents a ''bipartisan effort * * * to make more government documents accessible to the public and, in the process, make government more accountable.''

Our's is a report that, I believe, sets out a new framework for how to think about Government secrecy. Beginning with the concept that secrecy should be understood as a form of Government regulation. In the words of the German sociologist Max Weber, writing some eight decades ago:

Every bureaucracy seeks to increase the superiority of the professionally informed by keeping their knowledge and intentions secret. Bureaucratic administration always tends to be an administration of ''secret sessions''; in so far as it can, it hides its knowledge and action from criticism.

The pure interest of the bureaucracy in power, however, is efficacious far beyond those areas where purely functional interests make for secrecy. The concept of the ''official secret'' is the specific invention of bureaucracy, and nothing is so fanatically defended by the bureaucracy as this attitude, which cannot be substantially defended beyond these specifically qualified areas.

What we traditionally think of in this country as regulation concerns how citizens are to behave. Whereas public regulation involves what the citizen may do, secrecy concerns what that citizen may know. And the citizen does not know what may not be known. As our Commission stated: ''Americans are familiar with the tendency to overregulate in other areas. What is different with secrecy is that the public cannot know the extent or the content of the regulation.''

Thus, secrecy in the ultimate mode of regulation; the citizen does not even know that he or she is being regulated. It is a parallel regulatory regime with a far greater potential for damage if it malfunctions. In our democracy, where the free exchange of ideas is so essential, it can be suffocating.

We must develop what might be termed a competing ''culture of openness'' fully consistent with our interests in protecting national security, but in which power and authority are no longer derived primarily from one's ability to withhold information from others in Government and the public at large.

The Nazi War Crimes Disclosure Act is in keeping with the work of the Commission on Protecting and Reducing Government Secrecy. With the passing of time it becomes ever more important to document Nazi war crimes, lest the enormity of those crimes be lost to history. The greater access which this legislation provides will add clarity to this important effort. I applaud those researchers who continue to pursue this important work.

I would like to thank Representative MALONEY for her original work on this subject in the House of Representatives and I would also thank Senator DEWINE for joining me in this effort here in the Senate.

Mr. KOHL. Mr. President, I am pleased to be an original cosponsor of the Nazi War Crimes Disclosure Act. I want to thank Senator DEWINE and commend him for taking the lead on this important issue.

This bill demonstrates America's commitment to the same historical honesty that we are demanding of Switzerland and other countries only now facing their role in the atrocities of World War II. It is not enough for us to talk about disclosure by others. We need to practice it too. If there are secrets relating to the presence of Nazi war criminals in the United States, or

if there is information that will be helpful in identifying assets of Holocaust victims, or even evidence of other governments collaborating with the Nazis, let's open these files and reveal these secrets before an entire generation of survivors is gone.

This bill creates a presumption in favor of the public interest in learning all there is to learn about Nazi war crimes and requires a proactive searching of Government files for relevant documents. We have an obligation to find this information and to disseminate it. Although the Holocaust happened more than 50 years ago, we are now seeing countries and individuals caught up in the maelstrom of World War II grappling with this difficult past. Much of the debate on these issues has been triggered by recently released information from Government and other archives.

For survivors, there is no legislation that can erase the suffering they endured at the hands of the Nazis. As we go about our day-to-day business, it is easy to forget the horrific details of what happened in Europe: the gruesome torture and deaths, the systematic extermination of people. However, for those of us who were directly touched by the Holocaust, history is very real. I grew up in the shadow of this tragedy. When I was a child, my family worried daily about family members left behind in Europe during the war. We constantly discussed what was or wasn't happening, and when the truth finally emerged, and all Americans realized the extent of the tragedy, it touched us even more.

It is only natural for American survivors and their families to expect the American Government to be as forthcoming as possible. Although many survivors have gone on to live productive lives here in the United States, and around the world, they can never forget. Nor should we.

Many emerging democracies are now facing their pasts—through truth commissions and the like. It is tempting to want to look forward and to forget events of long ago. But for these fragile democracies, reckoning with the past is the key to ensuring a secure future. We too must recognize that the openness prescribed by this legislation only makes our democracy stronger.

This legislation maintains protections for individuals from the unwarranted invasion of their personal privacy, and it continues to provide exceptions for the most urgent national security and foreign policy interests. The difference between this bill and existing FOIA protections is that this bill firmly sets into law the public's right to know about Nazi war crimes and the disposition of Nazi assets, and if there is information that agencies insist on keeping secret, the relevant congressional committees must be informed. This will give us the opportunity to determine whether information dating so far back should remain classified. Finally, the bill provides that if an agency head exercises his or her authority to block the release of information, the decision is subject to judicial review.

It is difficult to imagine what knowledge would be subject to these protections so many years after the fact. Yes, there may be information which makes us feel uncomfortable. There is already information about the extent to which the U.S. Government knew about what was going on during the war in the Nazi death camps. We must not be afraid of what we may learn. The only ones who need fear are the perpetrators of these vicious acts who have escaped scrutiny until now, for there are still Nazi war criminals at large in this country and abroad. Armed with new information, much like the information which may be available in our own files, courts around the world are compelling them to answer for their despicable acts.

This legislation is targeted to information solely related to Nazi war crimes and to transactions involving Nazi victims, yet it sets an important precedent in codifying a more narrow set of privacy and national security exceptions for the release of Government information through the Freedom of Information Act. These exceptions are based on Executive Order 12958 which set the criteria for the release of information more than 25 years old. Unfortunately, we still have a long way to go in ensuring that this more open standard is uniformly applied to the release of Government information.

I am pleased that Senator MOYNIHAN is one of the lead sponsors of this bill because he has been such an eloquent spokesman against excessive secrecy. His work with the Commission on Protecting and Reducing Government Secrecy is truly commendable and I am pleased that this legislation is consistent with the findings of the Commission. Beyond shedding light on a difficult chapter in the history of humanity, this legislation can help foster a greater openness in the handling of Government information.

If we succeed, we will have left a legacy of which we can all be proud.

By Mr. COATS (for himself, Mr. LIEBERMAN, Mr. D'AMATO, and Mr. KERREY):

S. 1380. A bill to amend the Elementary and Secondary Education Act of 1965 regarding charter schools; to the Committee on Labor and Human Resources.

THE CHARTER SCHOOL EXPANSION ACT OF 1997

Mr. COATS. Mr. President, I am so pleased to join my good friend, Senator LIEBERMAN, in introducing another bill which has as its primary aim the expansion of educational opportunities for children. Senator LIEBERMAN has been a leader in promoting educational alternatives, and his efforts in the charter school movement have contributed to the tremendous growth in the number of charter schools since 1994. I commend him for his work in this area and am honored to join him in introducing the Charter School Expansion Act of 1997.

This bill builds on the great success of the original charter school legislation which Senator LIEBERMAN introduced in 1994. The Federal Charter School Grant Program provided seed money to charter school operators to help them cover the startup costs of beginning a charter school. In the last 3 years, the number of charter schools in operation around the country has tripled, with more than 700 charter schools now in 23 States.

The purpose of this bill is to further encourage the growth of high-quality charter schools around the country.

This bill provides incentives to encourage States to increase the number of charter schools in their State. The bill also tightens the eligibility definitions to better direct funds to those States who are committed to developing strong charter schools.

To ensure that charter schools have enough funding to continue once their doors are opened, this bill provides that charter schools get their fair share of Federal programs for which they are eligible, such as title 1 and IDEA.

This bill also increases the financing options available to charter schools and allows them to utilize funds from the title VI block grant program for startup costs.

And finally, the Secretary of Education and each State education agency is directed to inform every school district about the charter school option so that this educational alternative will be an option for any parent who is interested.

WHAT ARE CHARTER SCHOOLS?

Charter schools are independent public schools that have been freed from onerous bureaucratic and regulatory burdens and able to design and deliver educational programs tailored to meet the needs of their students and their communities.

The individualized education available to students through charter schools makes this a very desirable educational alternative. Charter schools give families an opportunity to choose the educational setting that best meet their child's needs. For many low-income families in particular, charter schools provide their first opportunity to select educational setting which is best for their child.

These innovative charter schools are having tremendous academic success serving the same population of students who are struggling in more traditional public school settings. Several recent studies have highlighted the success of charter schools around the country in serving at-risk students. A study conducted by the Hudson Institute found dramatic improvement for minority and low income students who had been failing in their previous school. These students are flourishing in the smaller, challenging environments found in charter schools.

With results like these, it is no wonder that some of the strongest support

for charter legislation comes from low-income families. Low-income families not only have real educational choices, but are actually needed in the charter school environment for everything from volunteering, to coaching, for fundraising, and even teaching. This direct involvement of families is helping to build small communities centered around the school.

Charter schools can be started by anyone interested in providing a quality education: Parents, teachers, school administrators, community groups, businesses, and colleges can all apply for a charter. And, importantly, if these schools fail to deliver a high-quality education, they will be closed—either through a district or State's accountability measures or due to lack of customers. Accountability is literally built in to the charter school process—a school's charter must be complied with and unhappy parents and students can leave if they are not satisfied.

In addition to the positive impact on the charter's students and their families, the overall charter movement is serving as a catalyst for change in the public schools. A foundational principle of the charter concept is that fair competition can stimulate improvement. And improvement in public schools has been spurred around the country due to the rapid growth of charter schools.

Recently, several studies have been released highlighting some of the success of charter schools around the country. In May, the Department of Education released its first formal report on its study of charter schools. Key first-year findings include:

The two most common reasons for starting public charter schools are flexibility from bureaucratic laws and regulations and the chance to realize an educational vision.

In most States, charter schools have a racial composition similar to statewide averages or have a higher proportion of minority students.

Charter schools enroll roughly the same proportion of low income students, on average, as other public schools.

Over the last 2 years, the Hudson Institute has undertaken its own study of charter schools, entitled ''Charter Schools in Action.'' Their research team traveled to 14 States, visited 60 schools, and surveyed thousands of parents, teachers, and students.

Some of this study's key findings include:

Three-fifths of charter school students report that their charter school teachers are better than their previous school's teacher.

Over two-thirds of parents say their charter school is better than their child's previous schools with respect to class size, school size, and individual attention.

Over 90 percent of teachers are satisfied with their charter school's educational philosophy, size, fellow teachers, and students.

Among students who said they were failing at their previous school, more than half are now doing excellent or good work. These gains were dramatic for minority and low-income youngsters, and were confirmed by their parents.

The example of these schools point to important ways to improve and reinvent public education as a whole. The implications from the success of charter schools indicate that successful public schools should be consumer-oriented, diverse, results-oriented, and professional places that also function as mediating institutions in their communities.

The tremendous success of charter schools in the last 6 years gives me great hope for the success of overall education reform. The more than 700 charter schools in this country that have sprung up in such a short period of time provide solid evidence that parents are interested in improving their children's educational opportunities and they will do whatever it takes.

With the introduction of this bill, the Charter School Expansion Act, Senator LIEBERMAN and I hope to send a signal to parents all across this country that they are not alone in their struggle to improve education for their children. We hope to ease their struggle by enabling new charter schools to be developed. More charter schools will result in greater accountability, broader flexibility for classroom innovation, and ultimately more choice in public education. I urge my colleagues to support this bill and to increase educational opportunities for all children.

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. 1380

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 ''Charter School Expansion Act of 1997''.

SEC 2. INNOVATIVE CHARTER SCHOOLS.

Title VI of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7301 et seq.) is amended—

(1) in section 6201(a) (20 U.S.C. 7331(a))—

(A) in paragraph (1)(C), by striking ''and'' after the semicolon;

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following:

''(2) support for planning, designing, and initial implementation of charter schools as described in part C of title X; and''; and

(2) in section 6301(b) (20 U.S.C. 7351(b))—

(A) in paragraph (7), by striking ''and'' after the semicolon;

(B) by redesignating paragraph (8) as paragraph (9); and

(C) by inserting after paragraph (7) the following:

''(8) planning, designing, and initial implementation of charter schools as described in part C of title X; and''.

SEC. 3. CHARTER SCHOOLS.

(a) PURPOSE.—Section 10301(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061(b)) is amended—

(1) in paragraph (1), by striking ''and'' after the semicolon;

(2) in paragraph (2), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(3) expanding the number of high-quality charter schools available to students across the Nation.''.

(b) CRITERIA FOR PRIORITY TREATMENT.—Section 10302 of such Act of 1965 (20 U.S.C. 8062) is amended by adding at the end the following:

''(e) PRIORITY TREATMENT.—

''(1) IN GENERAL.—

''(A) FISCAL YEARS 1998, 1999, AND 2000.—In awarding grants under this part for any of the fiscal years 1998, 1999, and 2000 from funds appropriated under section 10311 that are in excess of $51,000,000 for the fiscal year, the Secretary shall give priority to States to the extent that the States meet 1 or more of the criteria described in paragraph (2).

''(B) SUCCEEDING FISCAL YEARS.—In awarding grants under this part for fiscal year 2001 or any succeeding fiscal year from any funds appropriated under section 10311, the Secretary shall give priority to States to the extent that the States meet 1 or more of the criteria described in paragraph (2).

''(2) PRIORITY CRITERIA.—The criteria referred to in paragraph (1) are as follows:

''(A) The State has demonstrated significant progress in increasing the number of charter schools in the period prior to the period for which a State educational agency or eligible applicant applies for a grant under this part.

''(B) The State law regarding charter schools—

''(i) provides for at least 1 authorized public chartering agency that is not a local educational agency for each individual or entity seeking to operate a charter school pursuant to such State law; or

''(ii) in the case of a State in which local educational agencies are the only authorized public chartering agencies, allows for an appeals process for the denial of an application for a charter school.

''(C) The State law regarding charter schools provides for the automatic waiver of most State and local education laws and regulations, except those laws and regulations related to health, safety, and civil rights.

''(D) The State law regarding charter schools provides for periodic review and evaluation by the authorized public chartering agency of each charter school to determine whether the charter school is meeting or exceeding the academic performance requirements and goals for charter schools as set forth under State law or the school's charter.

''(f) AMOUNT CRITERIA.—In determining the amount of a grant to be awarded under this part to a State educational agency, the Secretary shall take into consideration the number of charter schools that will be created under this part in the State.''.

(c) APPLICATIONS.—Section 10303(b) of such Act (20 U.S.C. 8063(b)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

''(2) describe how the State educational agency—

''(A) will inform each charter school in the State regarding—

''(i) Federal funds that the charter school is eligible to receive; and

''(ii) Federal programs in which the charter school may participate;

''(B) will ensure that each charter school in the State receives the charter school's commensurate share of Federal education funds that are allocated by formula; and

''(C) will disseminate best or promising practices of charter schools to each local educational agency in the State; and''.

(d) NATIONAL ACTIVITIES.—Section 10305 of such Act (20 U.S.C. 8065) is amended to read as follows:

''SEC. 10305. NATIONAL ACTIVITIES.

''The Secretary shall reserve for each fiscal year the lesser of 5 percent of the amount appropriated to carry out this part for the fiscal year or $5,000,000, to carry out the following activities:

''(1) To provide charter schools, either directly or through State educational agencies, with—

''(A) information regarding—

''(i) Federal funds that charter schools are eligible to receive; and

''(ii) other Federal programs in which charter schools may participate; and

''(B) assistance in applying for Federal education funds that are allocated by formula, including assistance with filing deadlines and submission of applications.

''(2) To provide for the completion of the 4-year national study (which began in 1995) of charter schools.

''(3) To provide—

''(A) information to applicants for assistance under this part;

''(B) assistance to applicants for assistance under this part with the preparation of applications under section 10303;

''(C) assistance in the planning and startup of charter schools;

''(D) training and technical assistance to existing charter schools;

''(E) information to applicants and charter schools regarding gaining access to private capital to support charter schools; and

''(F) for the dissemination of best or promising practices in charter schools to other public schools.''.

(e) COMMENSURATE TREATMENT; RECORDS TRANSFER; PAPERWORK REDUCTION.—Part C of title X of such Act (20 U.S.C. 8061 et seq.) is amended—

(1) by redesignating sections 10306 and 10307 as sections 10310 and 10311, respectively; and

(2) by inserting after section 10305 the following:

''SEC. 10306. FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

''For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of enactment of the Charter School Expansion Act of 1997 as are necessary to ensure that every charter school receives the Federal funding for which the charter school is eligible not later than 5 months after the charter school first opens, notwithstanding the fact that the identity and characteristics of the students enrolling in that charter school are not fully and completely determined until that charter school actually opens. The measures similarly shall ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which the charter school is eligible not later than 5 months after such expansion.

''SEC. 10307. SOLICITATION OF INPUT FROM CHARTER SCHOOL OPERATORS.

''To the extent practicable, the Secretary shall ensure that administrators, teachers, and other individuals directly involved in the operation of charter schools are consulted in the development of any rules or regulations required to implement this part, as well as in the development of any rules or regulations relevant to charter schools that are required to implement part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), or any other program administered by the Secretary that provides education funds to charter schools or regulates the activities of charter schools.

''SEC. 10308. RECORDS TRANSFER.

''State educational agencies and local educational agencies, to the extent practicable, shall ensure that a student's records and, if applicable, a student's individualized education program as defined in section 602(11) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(11)), are transferred to a charter school upon the transfer of the student to the charter school, in accordance with applicable State law.

''SEC. 10309. PAPERWORK REDUCTION.

''To the extent practicable, the Secretary and each authorized public chartering agency shall ensure that implementation of this part results in a minimum of paperwork for any eligible applicant or charter school.''.

(f) PART C DEFINITIONS.—Section 10310(1) of such Act (as redesignated by subsection (e)(1)) (20 U.S.C. 8066(1)) is amended—

(1) in subparagraph (A), by striking ''an enabling statute'' and inserting ''a specific State statute authorizing the granting of charters to schools'';

(2) in subparagraph (H), by inserting ''is a school to which parents choose to send their children, and that'' before ''admits'';

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

(4) in subparagraph (K), by striking the period and inserting ''; and''; and

(5) by adding at the end the following:

''(L) has a written performance contract with the authorized public chartering agency in the State.''.

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 10311 of such Act (as redesignated by subsection (e)(1)) (20 U.S.C. 8067) is amended by striking ''$15,000,000 for fiscal year 1995'' and inserting ''$100,000,000 for fiscal year 1998''.

(h) TITLE XIV DEFINITIONS.—Section 14101 of such Act (20 U.S.C. 8801) is amended—

(1) in paragraph (14), by inserting '', including a public elementary charter school,'' after ''residential school''; and

(2) in paragraph (25), by inserting '', including a public secondary charter school,'' after ''residential school''.

(i) CONFORMING AMENDMENT.—The matter preceding paragraph (1) of section 10304(e) of such Act (20 U.S.C. 8064(e)) is amended by striking ''10306(1)'' and inserting ''10310(1)''.

Mr. LIEBERMAN. Mr. President, I rise today to join my good friend and partner Senator COATS in introducing legislation that would speed the progress of what is arguably the most promising engine of education reform in America today, the charter school movement.

Before discussing the legislation itself, I think it's important to talk first about the context in which it is being introduced and the ongoing debates here in Congress over how best to improve our public schools and expand educational opportunities for all students. In listening to much of the back and forth recently, particularly about efforts to promote a limited school choice program, it seems that too often these battles are being waged, in the words of the great John Gardner, between uncritical lovers and unloving critics, those who would defend the status quo in public education at all costs and those who would attack it at the drop of a hat, with neither side doing much listening.

Making matters worse, the uncritical lovers have helped reduce this challenging, vitally important discussion to a simplistic either-or equation. Either you are for public education, which means you subscribe to a certain orthodoxy and dare not depart from it, or you are against it. Either you subscribe to a small set of educationally correct methods of reform or you are subverting public education as we know it.

In my view, this shortsightedness is shortchanging our children. Given how many students are being served poorly by the status quo, particularly those living in urban areas who are trapped in deadening and in some cases deadly public schools, and given the crucial role that education will play in determining whether the American dream can be made real for those kids in the information age, we have an obligation to leave no policy stone unturned or untested and judge ideas by the simple, unalloyed standard of what works. We must be open to trying any plan or program that offers the hope of better education for our children.

That is why Senator COATS and I have been advocating for some time that we experiment with private school choice, sponsoring a series of bills to set up pilot programs in our cities to see if giving low-income students the chance to attend a private or faith-based school will enhance their learning and force those failing public schools to improve.

And that is why today we want to take this opportunity to express our support for the growing public charter school movement and to outline our plans to help make these innovative, independent programs the norm rather than a novelty in this country.

I have been a long-time advocate of the charter approach, which grants educators freedom from top-heavy bureaucracies and their redtape in exchange for a commitment to meet high academic standards. After visiting, this week, with a group of passionate charter school operators and teachers at a national conference here in town, I am all the more convinced that charter schools represent what may be the future of public education. These folks are driving a grassroots revolution that is seeking to reinvent the public school and take it back to the future, reconnecting public education to some of our oldest, most basic values—ingenuity, responsibility, accountability—and refocusing its mission on doing what's best for the child instead of what's best for the system.

The results speak for themselves. Over the past 3 years, the number of public charter schools have more than

tripled, with more than 700 of them operating in 23 different States and the District of Columbia, and parents in turn have given these programs overwhelmingly high marks for their responsiveness to them as consumers. Broad-based studies done by the Hudson Institute and the Education Department show that charters are effectively serving diverse populations, particularly many of the disadvantaged and at-risk children that traditional public schools have struggled to educate. And while it's too soon to determine what impact charter schools are having on overall academic performance, the early returns in places like Massachusetts suggest that charters are succeeding where it matters most, in the classroom.

Perhaps most heartening of all, a recent survey done by the National School Board Association found that the charter movement is already having a ripple effect that is being felt in many local school districts. The NSBA report cites evidence that traditional schools are working harder to please local families so they won't abandon them to competing charter schools, and that central administrators often see charters as a powerful tool to develop new ideas and programs without fearing regulatory roadblocks.

The most remarkable aspect of this movement may be that it has managed to bring together educators, parents, community activists, business leaders, and politicians from across the political spectrum on common ground in support of a common goal to better educate our children through more choice, more flexibility, and more accountability in our public schools. In these grassroots may lie the roots of a consensus for renewing the promise of public education.

We want to build on this agreement and the successes of charter schools and do what we can at the Federal level to encourage the growth of this movement. So today we will be introducing bipartisan legislation that will strengthen the Federal investment in charter schools and help remove some of the hurdles preventing charters from flourishing in every State.

Our bill, the Charter School Expansion Act, would revamp the Federal Charter School Grant Program to make it more focused on helping States and local groups create new schools and meet the President's goal of creating 3,000 charters by the year 2000. We want to increase funding for grants to new schools, which help charter operators meet the high costs of starting a school from scratch, and better target that aid to the States that are serious about expanding their charter program. Our hope is that these changes will give States that have been slow to embrace the charter movement an incentive to get on board.

In the near term, we feel this bill can be a starting point for overcoming our partisan and ideological differences and reaching a consensus on how to improve our schools and safeguard the hopes of our children. This proposal has already generated bipartisan interest both here in the Senate and the House, the administration has expressed its support, and we are optimistic it will be passed next year overwhelmingly.

In closing, I would like to thank Senator KERRY and Senator D'AMATO for joining Senator COATS and myself as original cosponsors of this bill. I would urge the rest of our colleagues, if they have not yet already done so, to take a close look at some of the truly innovative charter school programs being run in your home States and around the country. And I would ask you to join us in supporting this legislation to build on all the great work that's being done at the State and local level and help us chart a new course in education reform in America.

By Mr. NICKLES:

S. 1381. A bill to direct the Secretary of the Army to convey lands acquired for the Candy Lake project, Osage County, OK; to the Committee on Environment and Public Works.

THE CANDY LAKE LAND CONVEYANCE ACT OF 1997

Mr. NICKLES. Mr. President, today, I am introducing the Candy Lake Land Conveyance Act of 1997. The purpose of this legislation is to direct the Secretary of the Army to convey lands acquired for the Candy Lake project in Osage County, OK, back to the original landowners.

Briefly, the U.S. Army Corps of Engineers acquired 3,657.45 acres of land in Osage County from 21 landowners for the purpose of constructing Candy Lake. The project was not constructed, and in December 1996, the Corps of Engineers declared the Candy Lake property excess to the needs of the Federal Government.

My legislation will give each of the 21 landowners the option to purchase their original property from the Federal Government at fair market value. If a landowner, or their descendant, opts not to purchase their former property, that land will be disposed of in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

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. 1381

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. DEFINITIONS.

In this Act:

(1) FAIR MARKET VALUE.—The term ''fair market value'' means the amount for which a willing buyer would purchase and a willing seller would sell a parcel of land, as determined by a qualified, independent land appraiser.

(2) PREVIOUS OWNER OF LAND.—The term ''previous owner of land'' means a person (including a corporation) that conveyed, or a descendant of an individual who conveyed, land to the Army Corps of Engineers for use in the Candy Lake project in Osage County, Oklahoma.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Army.

SEC. 2. LAND CONVEYANCES.

(a) IN GENERAL.—The Secretary, acting through the Real Estate Division of the Tulsa District, Army Corps of Engineers, shall convey, in accordance with this section, all right, title, and interest of the United States in and to the land acquired by the United States for the Candy Lake project in Osage County, Oklahoma.

(b) PREVIOUS OWNERS OF LAND.—

(1) IN GENERAL.—The Secretary shall give a previous owner of land first option to purchase the land described in subsection (a) that was owned by the previous owner of land or by the individual from whom the previous owner of land is descended.

(2) APPLICATION.—

(A) IN GENERAL.—A previous owner of land that desires to purchase the land described in subsection (a) that was owned by the previous owner of land, or by the individual from whom the previous owner of land is descended, shall file an application to purchase the land with the Secretary not later than 180 days after the official date of notice to the previous owner of land under section 3.

(B) FIRST TO FILE HAS FIRST OPTION.—If more than 1 application is filed for a parcel of land described in subsection (a), first options to purchase the parcel of land shall be allotted in the order in which applications for the parcel of land were filed.

(3) IDENTIFICATION OF PREVIOUS OWNERS OF LAND.—As soon as practicable after the date of enactment of this Act, the Secretary shall, to the extent practicable, identify each previous owner of land.

(4) CONSIDERATION.—Consideration for land conveyed under this subsection shall be the fair market value of the land.

(c) DISPOSAL.—Any land described in subsection (a) for which an application has not been filed under subsection (b)(2) within the applicable time period shall be disposed of in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

(d) EXTINGUISHMENT OF EASEMENTS.—All flowage easements acquired by the United States for use in the Candy Lake project in Osage County, Oklahoma, are extinguished.

SEC. 3. NOTICE.

(a) IN GENERAL.—The Secretary shall notify—

(1) each person identified as a previous owner of land under section 2(b)(3), not later than 30 days after identification, by United States mail; and

(2) the general public, not later than 30 days after the date of enactment of this Act, by publication in the Federal Register.

(b) CONTENTS OF NOTICE.—Notice under this section shall include—

(1) a copy of this Act;

(2) information sufficient to separately identify each parcel of land subject to this Act; and

(3) specification of the fair market value of each parcel of land subject to this Act.

(c) OFFICIAL DATE OF NOTICE.—The official date of notice under this section shall be the later of—

(1) the date on which actual notice is mailed; or

(2) the date of publication of the notice in the Federal Register.

ADDITIONAL COSPONSORS

S. 61

At the request of Mr. LOTT, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S.

61, a bill to amend title 46, United States Code, to extend eligibility for veterans' burial benefits, funeral benefits, and related benefits for veterans of certain service in the United States merchant marine during World War II.

S. 191

At the request of Mr. HELMS, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 191, a bill to throttle criminal use of guns.

S. 791

At the request of Mr. DASCHLE, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 791, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by a cooperative telephone company.

S. 887

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 887, a bill to establish in the National Service the National Underground Railroad Network to Freedom program, and for other purposes.

S. 1084

At the request of Mr. INHOFE, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1084, a bill to establish a researh and monitoring program for the national ambient air quality standards for ozone and particulate matter and to reinstate the original standards under the Clean Air Act, and for other purposes.

S. 1124

At the request of Mr. KERRY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1124, a bill to amend title VII of the Civil Rights Act of 1964 to establish provisions with respect to religious accommodation in employment, and for other purposes.

S. 1153

At the request of Mr. BAUCUS, the name of the Senator from Alabama [Mr. SESSIONS] was added as a cosponsor of S. 1153, a bill to promote food safety through continuation of the Food Animal Residue Avoidance Database program operated by the Secretary of Agriculture.

S. 1297

At the request of Mr. COVERDELL, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1297, a bill to redesignate Washington National Airport as ''Ronald Reagan Washington National Airport''.

S. 1311

At the request of Mr. LOTT, the names of the Senator from Nebraska [Mr. KERREY] and the Senator from Maine [Ms. SNOWE] were added as cosponsors of S. 1311, a bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles.

S. 1334

At the request of Mr. BOND, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1334, a bill to amend title 10, United States Code, to establish a demonstration project to evaluate the feasibility of using the Federal Employees Health Benefits program to ensure the availablity of adequate health care for Medicare- eligible beneficiaries under the military health care system.

S. 1335

At the request of Ms. SNOWE, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 1335, a bill to amend title 5, United States Code, to ensure that coverage of bone mass measurements is provided under the health benefits program for Federal employees.

S. 1354

At the request of Mr. MCCAIN, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1354, a bill to amend the Communications Act of 1934 to provide for the designation of common carriers not subject to the jurisdiction of a State commission as eligible telecommunications carriers.

S. 1360

At the request of Mr. ABRAHAM, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 1360, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. HELMS, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of Senate Concurrent Resolution 30, a concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to multilateral economic institutions, including the International Monetary Fund and the International Bank for Reconstruction and Development.

SENATE RESOLUTION 96

At the request of Mr. CRAIG, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Resolution 96, a resolution proclaiming the week of March 15 through March 21, 1998, as ''National Safe Place Week.''

SENATE CONCURRENT RESOLUTION 61—AUTHORIZING A PRINTING

Mr. WARNER (for himself and Mr. FORD) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 61

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the publication entitled ''Our Flag'', revised under the direction of the Joint Committee on Printing, shall be reprinted as a Senate document.

(b) There shall be printed—

(1)(A) 250,000 copies of the publication for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 51,500 copies of the publication for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the publication for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the publication for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $150,000, such number of copies of the publication as does not exceed total printing and production costs of $150,000, with distribution to be allocated in the same proportion as in paragraph (1).

SENATE CONCURRENT RESOLUTION 62—AUTHORIZING A PRINTING

Mr. WARNER (for himself and Mr. FORD) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 62

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the brochure entitled ''How Our Laws Are Made'', under the direction of the Parliamentarian of the House of Representatives in consultation with the Parliamentarian of the Senate, shall be printed as a Senate document, with suitable paper cover in the style selected by the chairman of the Joint Committee on Printing.

(b) There shall be printed—

(1)(A) 250,000 copies of the brochure for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 100,000 copies of the brochure for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the brochure for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the brochure for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $180,000, such number of copies of the brochure as does not exceed total printing and production costs of $180,000, with distribution to be allocated in the same proportion as in paragraph (1).

SENATE CONCURRENT RESOLUTION 63—AUTHORIZING A PRINTING

Mr. WARNER (for himself and Mr. FORD) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 63

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the pamphlet entitled ''The Constitution of the United States of America'', prepared under the direction of the Joint Committee on Printing, shall be printed as a Senate document, with appropriate illustration.

(b) There shall be printed—

(1)(A) 440,000 copies of the pamphlet for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 100,000 copies of the pamphlet for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the pamphlet for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the pamphlet for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $120,000, such number of copies of the pamphlet as does not exceed total printing and production costs of $120,000, with distribution to be allocated in the same proportion as in paragraph (1).

SENATE RESOLUTION 143—TO AUTHORIZE A PRINTING

Mr. WARNER (for himself and Mr. FORD) submitted the following resolution; which was considered and agreed to:

S. RES. 143

Resolved, That the Committee on Rules and Administration is directed to prepare a revised edition of the Senate Election Law Guidebook, Senate Document 104–12, and that such document shall be printed as a Senate document.

SEC. 2. There shall be printed 600 additional copies of the document specified in section 1 of this resolution for the use of the Committee on Rules and Administration.

AMENDMENTS SUBMITTED

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

GRAHAM AMENDMENT NO. 1571

(Order to lie on table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements; as follows:

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly:

SEC. 6. ADDITIONAL IMPLEMENTATION AND ENFORCEMENT REQUIREMENTS.

At the time the President submits the final text of the agreement pursuant to section 5(a)(1)(C), the President shall also submit a plan for implementing and enforcing the agreement. The implementation and enforcement plan shall include the following:

(1) BORDER PERSONNEL REQUIREMENTS.—A description of additional personnel required at border entry points, including a list of additional customs and agricultural inspectors.

(2) AGENCY STAFFING REQUIREMENTS.—A description of additional personnel required by Federal agencies responsible for monitoring and implementing the trade agreement, including personnel required by the Office of the United States Trade Representative, the Department of Commerce, the Department of Agriculture, and the Department of the Treasury.

(3) CUSTOMS INFRASTRUCTURE REQUIREMENTS.—A description of the additional equipment and facilities needed by the United States Customs Service.

(4) IMPACT ON STATE AND LOCAL GOVERNMENTS.—A description of the impact the trade agreement will have on State and local governments as a result of increases in trade.

(5) COST ANALYSIS.—An analysis of the costs associated with each of the items listed in paragraphs (1) through (4).

BYRD AMENDMENTS NOS. 1572–1573

(Ordered to lie on the table.)

Mr. BYRD submitted two amendments intended to be proposed by him to the bill, S. 1269, supra; as follows:

AMENDMENT NO. 1572

Beginning on page 27, strike out line 1 and all that follows through page 31, line 3, and insert in lieu thereof the following:

(B) subsections (a) and (b) shall apply with respect to agreements entered into on or after October 1, 2001, and before October 1, 2005, if (and only if)—

(i) the President requests, under paragraph (2), an extension of the authority provided in such subsections; and

(ii) a law extending that authority is enacted before October 1, 2001.

(2) REPORT TO CONGRESS BY THE PRESIDENT.—If the President is of the opinion that the authority under subsections (a) and (b) should be extended, the President shall submit to Congress, not later than July 1, 2001, a written report that contains a request for such extension, together with—

(A) a description of all trade agreements that have been negotiated under subsections (a) and (b) and, where applicable, the anticipated schedule for submitting such agreements to Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives set out in section 2 (a) and (b) of this Act, and a statement that such progress justifies the continuation of negotiations; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) REPORT TO CONGRESS BY THE ADVISORY COMMITTEE.—The President shall promptly inform the Advisory Committee for Trade Policy and Negotiations established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) of the President's decision to submit a report to Congress under paragraph (2). The Advisory Committee shall submit to Congress as soon as practicable, but not later than August 1, 2001, a written report that contains—

(A) its views regarding the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this Act; and

(B) a statement of its views, and the reasons therefor, regarding whether the extension requested under paragraph (2) should be approved or disapproved.

(4) REPORTS MAY BE CLASSIFIED.—The reports submitted to Congress under paragraphs (2) and (3), or any portion of the reports, may be classified to the extent the President determines appropriate.

AMENDMENT NO. 1573

At the end of the bill, add the following:

SEC. 11. ESTABLISHMENT OF ADVISORY COUNCIL.

(a) ESTABLISHMENT.—There is established a council to be known as the WTO Advisory Council (hereafter in this section referred to as the ''Council'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Council shall be composed of 10 members of whom—

(A) 1 shall be appointed by the Speaker of the House of Representatives,

(B) 1 each shall be appointed by the Majority and Minority leaders of the House of Representatives,

(C) 1 each shall be appointed by the Majority and Minority Leaders of the Senate, and

(D) 5 shall be appointed by the President of the United States from the membership of the President's Advisory Committee for Trade and Policy Negotiations.

Members appointed pursuant to the paragraph (1)(D) shall serve for the term specified in paragraph (3)(A) or until their membership on the President's Advisory Committee for Trade and Policy Negotiations expires, whichever occurs first.

(2) PERSONS FROM WHOM APPOINTMENTS MADE.—Appointments under paragraph (1) shall be made from the following categories:

(A) Attorneys in the practice of international law.

(B) Academic experts in the field of international trade and economy.

(C) Representatives of United States labor interests.

(D) Representatives of United States industrial interests.

At least one of the Presidential appointments under paragraph (1)(D) shall be a Representative of United States labor interests and at least one shall be a representative of United States industrial interests.

(3) TERMS.—

(A) IN GENERAL.—The members described in paragraph (1) shall each be appointed for a term of 2 years, and may be reappointed for any number of terms.

(B) INITIAL APPOINTMENTS.—The initial appointments of the members of the Council under paragraph (1) shall be made no later than 90 days after the date of the enactment of this Act.

(4) VACANCIES.—

(A) IN GENERAL.—Any vacancy on the Council shall not affect its powers, but shall be filled in the same manner as the original appointment and shall be subject to the same conditions as the original appointment.

(B) UNEXPIRED TERM.—An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

(5) INITIAL MEETING.—No later than 30 days after the date on which all members described in paragraph (1) have been appointed, the Council shall hold its first meeting.

(6) MEETINGS.—The Council shall meet at the call of the Chairperson.

(7) QUORUM.—A majority of the members described in paragraph (1) shall constitute a quorum, but a lesser number of members may hold hearings.

(8) CHAIR AND VICE-CHAIR.—The Chairperson and Vice Chairperson shall be appointed by the members of the Council from among its members.

(c) DUTIES.—The Council shall review each report of WTO dispute settlement panels and Appellate Body, that is adopted by the Dispute Settlement Body and in which the United States is a party to the dispute, to determine the short term and long term effect of any actions that are taken in response to such reports, on the United States economy and on particular industries. Within 120 days after all actions have been taken by the parties, the Council shall provide an assessment of, and recommendations regarding, each report to the Speaker of the House of Representatives, the Majority and Minority Leaders of the Senate and the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the President. An assessment may contain minority views. The Council may, in making its assessment, take into account the history of previous, relevant reports of dispute settlement panels and the Appellate Body. In the event the case load of assessments strains the resources of the Council, priority shall be given to reports which are adverse to the United States.

(d) REVIEW BY ADVISORY COMMITTEES.—For each report that is reviewed, the Chairman of the Council shall ensure that the relevant industry sector advisory committees and industry policy advisory committees, established pursuant to section 135 of the Trade

Act of 1974, provide their analysis and assessment in a manner timely for the assessment by the Council. Subsections (e), (f), and (g) of section 135 of the Trade Act of 1974 (19 U.S.C. 2155) shall apply to the operation of the advisory committees under this section.

(e) PERSONNEL MATTERS.—

(1) EXPENSE REIMBURSEMENT.—There are hereby authorized to be appropriated such sums as may be necessary to defray or reimburse any expenses incurred by the members of the Council in carrying out their official duties.

(2) MEETING ROOMS.—The Council may meet in Senate offices and meeting rooms.

HOLLINGS AMENDMENTS NOS. 1574–1587

(Ordered to lie on the table.)

Mr. HOLLINGS submitted 14 amendments intended to be proposed by him to the bill, S. 1269, supra; as follows:

AMENDMENT NO. 1574

On page 25, strike lines 17 through 25 and insert the following:

(3) FOREIGN TRADE AGREEMENT WITH CHILE.—The provisions of section 151 of the Trade Act of 1974 (in this Act referred to as ''trade agreement approval procedures contained within this Act'') apply only to an implementing bill submitted with respect to a trade agreement entered into with Chile, but do not apply to any portion of that agreement that affects the duty on imports of wine the product of Chile. For the purpose of applying section 151(b)(1) to that agreement, the implementing bill may contain only—

AMENDMENT NO. 1575

On page 42, between lines 14 and 15, insert the following:

(c) TRADE AGREEMENT APPROVAL PROCEDURES NOT TO APPLY.—The trade agreement approval procedures contained within this Act do not apply to any trade agreement that includes any change in the application of subtitle B of title VII of the Trade Act of 1930 (19 U.S.C. 1673 et seq.).

AMENDMENT NO. 1576

On page 42, between lines 14 and 15, insert the following:

(c) MULTILATERAL AGREEMENT ON FOREIGN INVESTMENT.—The trade agreement approval procedures do not apply to the international agreement commonly known as the Multilateral Agreement on Foreign Investment.

AMENDMENT NO. 1577

On page 42, between lines 14 and 15, insert the following:

(c) TRADE AGREEMENT APPROVAL PROCEDURES NOT TO APPLY.—The trade agreement approval procedures contained within this Act do not apply to any trade agreement that has any affect or impact on the safety of food sold for consumption in the United States.

AMENDMENT NO. 1578

On page 42, between lines 14 and 15, insert the following:

''SEC. 7. TARIFF SNAPBACK.

''Whenever the United States dollar value of the currency of a country the products of which may be imported into the United States at a reduced rate of duty under an agreement authorized by this Act between the United States and that country falls by 10 percent from the value of the currency on the date of the agreement (as reported by the Dow Jones Markets as of 4 p.m. in New York City), any duty imposed on imports of products of that country is increased to the level at which it was imposed before reduction under the agreement for products entered or''.

AMENDMENT NO. 1579

On page 42, between lines 14 and 15, insert the following:

(c) TRADE AGREEMENT APPROVAL PROCEDURES NOT TO APPLY.—The trade agreement approval procedures do not apply to any trade agreement that includes any change in the application of subtitle A of title VII of the Trade Act of 1930 (19 U.S.C. 1671 et seq.).

AMENDMENT NO. 1580

On page 42, between lines 14 and 15, insert the following:

(c) TRADE AGREEMENT APPROVAL PROCEDURES NOT TO APPLY.—The trade agreement approval procedures contained within this Act do not apply to any trade agreement covering a product which has an import penetration in the United States of more than 10 percent, as determined annually by the International Trade Commission in its most recent determination published before the submission of the trade agreement to the Congress.

AMENDMENT NO. 1581

On page 42, between lines 14 and 15, insert the following:

SEC. 7. DISPUTE RESOLUTION PROCEDURES MUST BE PUBLIC.

The trade agreement approval procedures contained within this Act do not apply to any trade agreement unless the dispute resolution procedures applicable to any dispute arising under the agreement are open to the public.

AMENDMENT NO. 1582

On page 32, beginning on line 10, strike through line 20 and insert the following:

(1) CONSULTATION.—Before entering into any trade agreement under section 3 (a) or (b), the President shall consult each committee of the House and the Senate, and each joint committee of the Congress, which has jurisdiction over legislation involving subject matters that would be affected by the trade agreement.

AMENDMENT NO. 1583

On page 37, line 16, beginning with ''if'' strike through line 16 on page 39 and insert the following: ''unless the Congress by fast-track approval resolution approves the application of the trade authorities procedures to that bill.

(2) FAST-TRACK APPROVAL RESOLUTION.—For purposes of this section, the term ''fast-track approval resolution'' means a concurrent resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: ''That the Congress approves the application of section 151 of the Trade Act of 1974 to the implementing bill submitted to the Congress under section 3(b)(3) of the Reciprocal Trade Agreements Act of 1997 on _____.'', with the blank being filled with the date on which the implementing bill was received by the Congress.

AMENDMENT NO. 1584

On page 31, beginning with line 20 strike line 2 on page 32 and insert the following:

(2) before and after submission of the notice described in paragraph (1), consult regarding the negotiations with—

(A) the committees of the Senate and the House of Representatives with jurisdiction over legislation involving subject matters that would be affected by a trade agreement; and

(B) the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

AMENDMENT NO. 1585

On page 37, beginning with line 12, strike through line 23 and insert the following:

(1) DISAPPROVAL OF THE NEGOTIATION.—The trade agreement authorities procedures shall not apply to any implementing bill that contains a provision approving any trade agreement that is entered into under section 3(b) with any foreign country if—

(A) any committee of the Senate and the House of Representatives with jurisdiction over legislation involving subject matters that would be affected by a trade agreement; or

(B) the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives,

disapproves of the negotiation of the agreement before the close of the 90-calendar day period that begins on the date notice is provided under section 4(a)(1) with respect to the negotiation of the agreement.

AMENDMENT NO. 1586

On page 42, between lines 14 and 15, insert the following:

SEC. 7. FIXED-RATE CURRENCY AGREEMENT.

The President should negotiate a fixed-rate currency agreement between the United States and other Nations.

AMENDMENT NO. 1587

On page 42, between lines 14 and 15, insert the following:

SEC. 7. TRADE AGREEMENT MUST PROVIDE FORCED LABOR SANCTIONS.

The trade agreement approval procedures contained within this Act do not apply to any trade agreement unless the agreement provides for sanctions against countries the products of which that are covered by the agreement are produced by forced labor.

BYRD AMENDMENT NO. 1588

(Ordered to lie on the table.)

Mr. BYRD submitted an amendment intended to be proposed by him to the bill, S. 1269, supra; as follows:

Beginning on page 33, strike out line 9 and all that follows through page 34, line 24, and insert in lieu thereof the following:

''agreement approval procedures;

''(D) any other agreement the President has entered into or intends to enter into with the country or countries in question; and

''(E) the economic costs and benefits of the agreement to the United States in order to ensure that the purposes of section 2(a)(4) are met.

''(c) ADVISORY COMMITTEE REPORTS.—The report required under section 135(e)(1) of the Trade Act of 1974 regarding any trade agreement entered into under section 3(b) of this Act shall be provided to the President, Congress, and the United States Trade Representative not later than 30 calendar days after the date on which the President notifies Congress under section 5(a)(1)(A) of the President's intention to enter into the agreement.

''(d) CONSULTATION BEFORE AGREEMENT INITIALED.—In the course of negotiations conducted under this Act, the United States Trade Representative shall consult closely and on a timely basis (including immediately before initialing an agreement) with, and keep fully apprised of the negotiations, the congressional advisers for trade policy and negotiations appointed under section 161

of the Trade Act of 1974 (19 U.S.C. 2211), the Committee on Finance of the Senate, and the Committee on Ways and Means of the House of Representatives.

"SEC. 5. IMPLEMENTATION OF TRADE AGREEMENTS.

''(a) IN GENERAL.—

''(1) NOTIFICATION AND SUBMISSION.—Any agreement entered into under section 3(b) shall enter into force with respect to the United States if (and only if)—

''(A) the President, at least 90 calendar days before the day on which the President enters into the trade agreement, notifies the House of Representatives and the Senate of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

''(B) within 60 calendar days after entering into the agreement, the President submits to Congress a description of those changes to existing laws that the President considers would be required in order to bring the United States into compliance with the agreement, and an analysis of the economic costs and benefits of the agreement to the United States;''.

THE OTTAWA AND CHIPPEWA INDIANS JUDGMENT FUNDS ACT OF 1997

INOUYE AMENDMENTS NOS. 1589–1590

(Ordered to lie on the table.)

Mr. INOUYE submitted two amendments intended to be proposed by him to the bill (H.R. 1604) to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 18–E, 58, 364, and 18–R before the Indian Claims Commission; as follows:

AMENDMENT NO. 1589

In section 11, strike the section heading and all that follows through ''The eligibility'' and insert the following:

"SEC. 11. TREATMENT OF FUNDS IN RELATION TO OTHER LAWS.

''(a) APPLICABILITY OF PUBLIC LAW 93–134.—All funds distributed under this Act or any plan approved in accordance with this Act, including interest and investment income that accrues on those funds before or while those funds are held in trust, shall be subject to section 7 of Public Law 93–134 (87 Stat. 468).

''(b) TREATMENT OF FUNDS WITH RESPECT TO CERTAIN FEDERAL ASSISTANCE.—The eligibility''.

AMENDMENT NO. 1590

In section 11, strike the section heading and all that follows through ''The eligibility'' and insert the following:

"SEC. 11. TREATMENT OF FUNDS IN RELATION TO OTHER LAWS.

''(a) APPLICABILITY OF PUBLIC LAW 93–134.—All funds distributed under this Act or any plan approved in accordance with this Act, including interest and investment income that accrues on those funds before or while those funds are held in trust, shall be subject to section 7 of Public Law 93–134 (87 Stat. 468).

''(b) TREATMENT OF FUNDS WITH RESPECT TO CERTAIN FEDERAL ASSISTANCE.—The eligibility''.

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

REED AMENDMENTS NOS. 1591–1592

(Ordered to lie on the table.)

Mr. REED submitted two amendments intended to be proposed by him to the bill, S. 1269, supra; as follows:

AMENDMENT NO. 1591

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly:

SEC. 6. ACTIONABLE UNFAIR TRADE PRACTICES.

(a) IN GENERAL.—Every applicable trade agreement shall provide that it shall be an actionable unfair trade practice for purposes of section 301 of the Trade Act of 1974 for any party to the agreement or the industries of any party to gain a competitive advantage in international trade, commerce, or finance by systematically denying or practically nullifying internationally recognized worker rights or internationally recognized environmental standards.

(b) DEFINITIONS.—In this section:

(1) APPLICABLE TRADE AGREEMENT.—the term ''applicable trade agreement'' means a trade agreement approved pursuant to the trade agreement approval procedures provided for in this Act.

(2) INTERNATIONALLY RECOGNIZED WORKER RIGHTS.—The term ''internationally recognized worker rights'' has the meaning given that term in section 502(a)(4) of the Trade Act of 1974.

(3) INTERNATIONALLY RECOGNIZED ENVIRONMENTAL STANDARDS.—The term ''internationally recognized environmental standards'' includes—

(A) mitigation of global climate change;

(b) reduction in the consumption and production of ozone-depleting substances;

(C) reduction in ship pollution of the oceans from such sources as oil, noxious bulk liquids, hazardous freight, sewage, and garbage;

(D) a ban on international ocean dumping of high-level radioactive waste, chemical warfare agents, and hazardous substances;

(E) government control of the transboundary movement of hazardous waste materials and their disposal for the purpose of reducing global pollution on account of such materials;

(F) preservation of endangered species;

(G) conservation of biological diversity;

(H) promotion of biodiversity; and

(I) preparation of oil-spill contingency plans.

(4) ACTIONABLE UNFAIR TRADE PRACTICE.—The term ''actionable unfair trade practice'' means, under the laws of the United States, an act, policy, or practice that, under section 301 of the Trade Act of 1974, is unjustifiable and burdens or restricts United States commerce.

AMENDMENT NO. 1592

On page 15, between lines 23 and 24 insert the following:

(C) In pursuing the negotiating objective described in subparagraph (A), the United States shall seek to prohibit practices that require a transfer of United States developed technology to foreign governments as a condition of trade.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet at 9:30 a.m. on global warming.

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

COMMITTEE ON FINANCE

Mr. ROTH. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Wednesday, November 5, 1997 beginning at 2 p.m. in room 215 Dirksen.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 5, 1997, at 10 a.m. to hold a hearing.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, November 5, at 10 a.m. on a markup on the following agenda nomination only.

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

COMMITTEE ON THE JUDICIARY

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, November 5, 1997 at 2 p.m. in room 226 of the Senate Dirksen Office Building to hold a hearing on the nomination of Seth Waxman to be Solicitor General.

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

COMMITTEE ON RULES AND ADMINISTRATION

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, November 5, 1997, beginning at 9:30 a.m. until business is completed, to conduct a business meeting to vote on matters pending before the committee including the use of laptop computers on the Senate floor; release of documents to Harry Connick, District Attorney of New Orleans; and, reimbursement of expenses in connection with the contested Senate election in Louisiana.

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

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND REGULATORY RELIEF

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Financial Institutions and Regulatory Relief of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, November 5, 1997, to conduct a hearing on S. 1315 and the presence of foreign governments and companies, particularly China, in our securities and banking sectors.

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

SUBCOMMITTEE ON IMMIGRATION

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Immigration, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Wednesday, November 5, 1997 at 10 a.m. to hold a hearing in room 562, Senate Dirksen Building, on: The Impact of Section 110 of the 1996 Immigration Act of the Land Borders of the United States.

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

SUBCOMMITTEE ON TECHNOLOGY, TERRORISM, AND GOVERNMENT

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Technology, Terrorism, and Government, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Wednesday, November 5, 1997 at 3 p.m. to hold a hearing in room 192, Senate Dirksen Building, on: The Nation at Risk; Report of the President's Commission on Critical Infrastructure Protection.

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

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. ROTH. Mr. President. I ask unanimous consent that the Subcommittee on Transportation and Infrastructure be granted permission to conduct a hearing Wednesday, November 5, 10 a.m., hearing room (SD–406), to examine the General Services Administration proposal to construct or otherwise acquire a facility to house the headquarters of the Department of Transportation.

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

SUBCOMMITTEE ON YOUTH VIOLENCE

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Youth Violence, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Wednesday, November 5, 1997 at 10 a.m. to hold a hearing in room 226, Senate Dirksen building, on: Examining the Federal Effort to Prevent Juvenile Crime.

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

ADDITIONAL STATEMENTS

100TH ANNIVERSARY OF THE THOMAS JEFFERSON BUILDING

• Mr. STEVENS. Mr. President, today marks the 100th anniversary of the Thomas Jefferson Building, the crown jewel of the buildings occupied by the Library of Congress. As vice chairman of the Joint Committee on the Library, it is my privilege to mark this important day.

The Library of Congress occupies a unique place in American history, and in the vast flow of information that crosses the globe and drives America's economic well-being. The Library is Congress' legislative library, our major research arm, and a national library as well as cultural institution. Congress has nurtured this Library from its creation in Philadelphia, through the legislature's move to the new capital city of Washington, through the 1814 British invasion of Washington that burned the Capitol and the Library of Congress, and through our purchase of Thomas Jefferson's own extensive library to recommence the Library of Congress as a universal collection of knowledge.

By the 1870's, the Library of Congress collections had grown to more than 300,000 volumes and had already outgrown the space in the Capitol that it had occupied since its move to Washington. It was the foresight of Ainsworth Rand Spofford, the sixth Librarian of Congress, that helped transform the Library of Congress into an institution of national stature, and eventually lead to the building of the Thomas Jefferson building we celebrate today.

Spofford recognized the importance of copyright deposit as a means to ensure the continued development of the Library's collections. After the 1870 revision of the copyright law, two copies of every book, pamphlet, map, print, photograph, and piece of music registered for copyright was to be deposited with the Library of Congress. The copyright law today continues to fuel the Library's special collections, including film, television, digital materials, and computer software.

The growth of the collections through copyright deposit created the need for a new building for the Library of Congress. The building, later named for Thomas Jefferson, was authorized in 1886 and completed in 1897, on time and under budget and was immediately hailed as a national monument—an imposing structure of the Italian Renaissance style. Every Member of Congress has had the opportunity to visit the magnificently restored Jefferson Building and admire the extraordinary beauty and grandeur of the Great Hall, the Main Reading Room, and the Members' Room.

It is not a simple matter to authorize a new Federal building, let alone a building to be constructed immediately adjacent to the Capitol. Librarian of congress Spofford had two staunch allies: Senator Daniel W. Voorhees of Indiana and Senator Justin S. Morrill of Vermont. Today, Senator Morrill's efforts will be recognized. A plaque honoring his commitment to the Library and construction of the Jefferson Building will be unveiled by our current Librarian of Congress, James Billington, and the Vermont congressional delegation. The Morrill plaque will flank that recognizing Senator Voorhees so that each Senator might be honored by all who enter the Great Hall for their dedication to and vision for Congress' Library.

This evening, on behalf of the Joint Committee on the Library, I will join the joint committee chairman, Representative BILL THOMAS, Librarian James Billington, and Architect of the Capitol Alan Hantman to light for the very first time the restored Torch of Learning that crowns the Thomas Jefferson Building. The Main Reading Room is the heart of the Thomas Jefferson Building. It is covered by a beautiful dome, the exterior of which is covered by a great blazing torch and flame, marking the center and apex of the Jefferson Building. This torch and flame are symbolic of the learning and knowledge in the Library of Congress. From now on, the glowing Torch of Learning will light the skyline over the Capitol, a worthy companion to the lighted dome of the Capitol.

I thank, on behalf of my colleagues on the joint committee, the Office of the Architect of the Capitol which has overseen the restoration of the Jefferson Building we celebrate today. As the Library of Congress moves toward its Bicentennial in the year 2000, Congress will continue to reap the benefits of the Library's incomparable collections. In particular, our constituents will benefit from Librarian James Billington's efforts to extend the Library's unique special collections and service nationwide through the Internet.

One hundred years ago, the Congress supported the vision of Ainsworth Rand Spofford and provided the means for the collections to grow and to be housed in a building described as the most beautiful in America. As the Library of Congress approaches the 21st century, it needs and deserves the continued support of Congress as our nation's strategic information reserve.

I ask that a summary of the Library's operations, to date this year, be printed in the RECORD.

The material follows:

LIBRARIAN OF CONGRESS,
Washington, DC, October 24, 1997.

Hon. TED STEVENS,
Chairman, Committee on Appropriations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: It will be some months before the Library's Annual Report for FY97 is completed and delivered to you. I wanted to take the beginning of a new fiscal year as an occasion to provide you with a summary of the Library's operations. I believe that it is important for you, as a Member of Congress charged with oversight of the Library, to understand the Library's management goals and our progress toward them.

MANAGEMENT

General Donald Scott has just marked his first anniversary as Deputy Librarian, the Library's Chief Operating Officer. Don's capable handling of the Library's day-to-day operations has enabled me to focus on policy concerns, planning for the Library's Bicentennial (see below), and completing the necessary private-sector fundraising to meet our goal of $45 million for the National Digital Library (NDL).

To date, we have $30 million in gifts and pledges. The NDL site continues to be one of the most recognized content sites on the Internet. THOMAS, the American Memory collections, and the Learning Page are used by millions of citizens, legislators, teachers, parents, and students each month.

The National Science Foundation will shortly announce a second round of Digital Library research grants. The Library of

Congress's NDL and the National Library of Medicine have been invited to participate as user test-bed sites for possible cutting-edge research applications. A recent example may help suggest to you the importance of this invitation from NSF. Compression software, originally developed at the Los Alamos Lab and only recently made available for non-defense applications, was given as a gift to the Library. for the first time, the Library was able to digitize items from our enormous map collections for the NDL. This compression software made it possible to display and search maps for the first time. We hope that other research breakthroughs will help the Library offer even more diverse collections through the NDL.

Under the leadership of Chief of Staff, Jo Ann Jenkins, the Library has updated its strategic plan through 2004. We have also established a Directorate for planning, Management and Evaluation (PMED), headed by Thomas Bryant.

Finally, the Library's second external audit of its financial operations received a clean option from KPMG. This is an outstanding achievement, in only the second audit cycle, for any government agency.

SECURITY

In February 1997, the Library hired Kenneth Lopez as its Director of Security. Working under Ken with a team of security professionals, curators, and senior librarians, we have completed the Library's Security Plan, and I have forwarded it to the Library's oversight committees for their review. The Library's external audit process calls for an annual review of the Library's care and control of its ''heritage assets''—the 112 million items in the Library's collections. The audit will, therefore, provide an annual update on the Library's overall security of its collections.

BICENTENNIAL

As you well know, the Library will celebrate its bicentenary—along with the bicentenary of the Congress' move to Washington—in the year 2000. On October 6th, the Library announced its theme, goals, and overall plans and launched a website for its Bicentennial (http:/www.loc.gov/bicentennial). A copy of our announcement is enclosed with this letter.

Prior to our public announcement, I wrote to Members of Congress to invite their participation and that of their constituents—particularly libraries—in our plans. I am pleased that we have received over 100 responses to date.

On October 7, the Madison Council, the Library's private-sector advisory fundraising group, hosted a gala to launch the Bicentennial and to raise funds for its implementation. The evening, a celebration of Creative America, highlighted the Library's enormously rich music and manuscript collections and raised $800,000 to support Bicentennial programs, bringing the total commitment to date from the Madison Council to $1.5 million. Thanks are due to John Kluge, chair of the Madison Council, and to the gala co-chairs, Buffy Cafritz of Washington, D.C., and Alyne Massey of Nashville, Tennessee.

LEGISLATIVE UPDATE

We are deeply grateful that the Library's FY98 budget was very generously supported by the Congress. In particular, funding for our top priority, an Integrated Library System (ILS), and for the cost of our mandatory pay raises will make an enormous difference in the Library's ability to continue to secure its collection and provide the highest quality service to the Congress and to the nation.

The American Folklife Center requires reauthorization. Consistent with the Board's wishes, and with my wholehearted support, we have transmitted the formal request for permanent authorization for the Center to the Library's oversight committees.

Particularly as the Library approaches its own Bicentenary, it is essential that this important collection and its curators have assurance of their place in the Library. The collection itself dates from the 1890's The Center was created during the Bicentenary of the American Revolution in 1976 as a powerful tool to ensure the place of folklore and local history and customs in our national consciousness. The rich ethnic and regional materials in the Center's Archive comprise the nation's largest and most varied folklore collection—filled with the type of material that is providing of special value for local schools and libraries throughout America on the National Digital Library.

The Library is beginning the new fiscal year with strategic goals, sound financial management, significant new staffing, and enormous external and internal enthusiasm and interest in our Bicentenary. I trust that I can count on your continued interest and support. Please feel free to follow up on any topic I have raised. We would be pleased to come brief you further at any time.

Sincerely,

JAMES H. BILLINGTON,
The Librarian of Congress.

Enclosure.

LIBRARY OF CONGRESS—BICENTENNIAL 1800–2000

LIBRARIES, CREATIVITY, LIBERTY

In a press conference on October 6, 1997, the Librarian of Congress James H. Billington presented preliminary plans for the commemoration of the Library's Bicentennial in the year 2000. ''From its earliest days, the Library of Congress has supported the work of libraries everywhere in the spirit of James Madison, who eloquently said that he could not imagine anything more essential for our new republic than 'liberty and learning, each leaning on each other for their mutual and surest support' . . . 'knowledge will forever govern ignorance and a people who mean to be their own governors must arm themselves with the power that knowledge gives.' We believe that the link between learning and liberty is one of our most basic civic truths. It is our responsibility as the largest library to ensure that the tools of learning are universally accessible.''

GOAL OF THE BICENTENNIAL COMMEMORATION

The goal of the Bicentennial commemoration is ''To inspire creativity in the century ahead by stimulating greater use of libraries and other avenues of learning everywhere.''

The Bicentennial goal will be achieved through a variety of national, state, and local projects, developed in collaboration with the offices of the Members of Congress, the Library's staff, and special advisory committees.

BICENTENNIAL LOGO AND THEME

The logo for the Bicentennial commemoration features the interior dome of the Library's famous Main Reading Room and the theme ''Libraries, Creativity, Liberty.'' The unseen painting within the circle in the dome's ''eye'' is the image of a woman representing ''Human Understanding.'' In the painting, ''Human Understanding'' is lifting her veil and looking upward toward the future. This logo and theme symbolize what the Bicentennial Commemoration is about: stimulating creativity and ensuring a free society through greater use of libraries everywhere. The Library of Congress looks forward in the months ahead to developing ways for other libraries to share in the use of this logo.

BICENTENNIAL PLANS

Libraries of all kinds and sizes are invited to participate in the Bicentennial Commemoration of the Library of Congress, which will celebrate the creative use of knowledge as a function of democracy. At the October 6 press conference, John Y. Cole, the Library's Bicentennial project director and director of the Center for the Book, said ''Libraries are important educational institutions and a natural link between learning and liberty; this is their celebration too.'' Core Bicentennial endeavors include ''Gifts to the Nation,'' ''Frontiers of Knowledge,'' ''Local Legacies'' and ''Favorite Poems.''

Gifts to the Nation

The ''Gifts to the Nation'' program is a reciprocal endeavor. It will include activities such as significant acquisitions for the Library's collections; the Library's commissioning of creative works of music, drama, art and literature; and the Library's effort, through its National Digital Library Program, of making available electronically millions of items from its American historical collections by the end of the year 2000. The idea of Bicentennial ''Gifts to the Nation'' continues the Library's proud tradition of helping local libraries through donating surplus books and by providing cataloging information, services which save libraries millions of dollars each year.

Frontiers of Knowledge

Drawing on the remarkable comprehensiveness and diversity of the Library's collections, the ''Frontiers of Knowledge'' program will present a series of lectures and symposia exploring ideas that shape our lives, especially as we look to the next century. At the June 1999 conference, ''The Frontiers for the Mind in the 21st Century,'' distinguished scholars will summarize significant developments in approximately 20 fields in the past century and look ahead to challenges in the year 2000 and beyond. Interaction between the scholars and young people, the latter representing every Congressional District in the nation, will be an important focus of the conference. Fields of inquiry will include: demography, immunology/epidemiology, economics, political philosophy/law, semiotics, neuroscience, molecular evolution and historical genetics, cosmology, earth and ocean science, ecology, biochemistry, physics/computer science, religion/theology, history as narrative, humanities, literature, ethnomusicology, philosophy, and cultural psychology.

Local Legacies

''Local Legacies'' will build upon local projects now underway nationally in partnership with Library of Congress offices such as the *American Folklife Center* and the *Center for the Book* to highlight the richness of America's heritage at the end of the century and the millennium. These include *Montana Heritage, Rivers of America, Literary Maps of America,* and *Building a Nation of Readers.* The *Montana Heritage* project, funded by the Liz Claiborne and Art Ortenberg Foundation, fosters projects in local schools teaching students how to research and document local cultural heritage. The *Rivers of America* project examines and celebrates the historical, literary, and environmental heritage of America's rivers. It encourages high school students, such as those taking part in the *Montana Heritage* project, to focus their field research on a local river, particularly the history of the community in relation to that river. Documentary reports and histories for the collections of local institutions are one product. The *Literary Map* project encourages learning about local geography and literature—simultaneously. Literary maps depict a state or region's literary heritage, usually through colorful, well-illustrated maps that show where authors live or were born or where novels or well-known books

were written. Since 1992, more than 20 such maps have been created and added to the collections of the Library of Congress. To remind Americans of the importance of reading to individuals and to the nation, the Center for the Book of the Library of Congress has chosen *Building a Nation of Readers* for the Library of Congress's national reading promotion campaign for the years 1997–2000. The Library also wants to identify local historical collections that should be linked with the National Digital Library.

Favorite Poems

Poet Laureate Robert Pinsky will take the lead in the ''favorite poem'' project, which will feature approximately 100 Americans from all walks of life choosing and reading aloud a favorite poem. The resulting audio and video archives, in Mr. Pinsky's words, will be ''a record, at the end of the century, of what we choose, and what we do with our voices and faces, when asked to say aloud a poem that we love.''

Commemorative Coin and Stamp

Legislation has been introduced for a Bicentennial commemorative coin. The Library of Congress is also exploring a Bicentennial commemorative stamp series, based on its unparalleled collections, to be issued in the year 2000.

Bicentennial Publications

Between the fall of 1997 and the year 2000, the Library of Congress will produce several major publications as part of fulfilling its Bicentennial goal of stimulating creativity and wisdom through greater understanding of the Library and its remarkable collections. Highlights of the Bicentennial publishing program include:

1997

Eyes of the Nation: A Visual History of the United States

A pictorial and narrative history published by Alfred A. Knopf, *Eyes of the Nation* contains more than 500 full-color and duotone illustrations from the Library's collections. The book marks the centennial of four of the Library's major collection divisions: *Prints and Photographs, Manuscript, Music* and *Geography and Map.* An *Eyes of the Nation* CD–ROM is also available.

The Library of Congress: The Art and Architecture of the Thomas Jefferson Building

Published by W. W. Norton, *The Art and Architecture of the Thomas Jefferson Building* features essays and 280 illustrations, 185 of them in color, depicting the architecture and decorative elements in this magnificent building. The book commemorates the centennial of the building's opening.

1998

The Jefferson Building: A Guide for Visitors

This publication will provide visitors a compact, but fully illustrated book.

1999

The Library of Congress: A Bicentennial History

Published by Yale University Press, the volume will be a well-illustrated popular history and interpretation of the Library's 200 years of service to Congress and the nation.

Encyclopedia of the Library of Congress

The illustrated, one-volume reference work will contain 12 topical essays and approximately 150 brief entries about the Library and its activities.

2000

The Library of Congress in American Life, 1800–2000

The Library of Congress in American Life will be a four-volume documentary set, featuring the Library's chronology, biographies of the Librarians of Congress, documents and resources for the study of the Library, and current scholarly research about the Library and its role in American life.

VIRTUAL TOUR OF THE THOMAS JEFFERSON BUILDING

A *Virtual Tour of the Thomas Jefferson Building,* with photographs and moving panoramas of the splendid public spaces and other rooms of this historic building, is currently being prepared for the Library's World Wide Web site.

OTHER BICENTENNIAL PROJECTS UNDER DEVELOPMENT

Among other Bicentennial projects in the early planning stages are major exhibitions, *Jefferson Knowledge, and Democratic* and *America at Play,* and national television programming.

Jefferson, Knowledge, and Democracy Exhibition

This major exhibition is being planned for April–October 2000 and will use Jefferson's personal books that he sold to the Congress in 1815, his personal papers, his architectural drawings, his personal artifacts (such as his original ''reading machine,'' a revolving reading stand which he designed) to examine his ideas. A secondary theme will be how these ideas—in architecture, the arts, law, science, politics, music, geography, agriculture, and other subjects-have influenced America and the world.

Jefferson's idea on the relationship between knowledge and democracy are as vital today as when he first enunciated them. This is clearly evident in the intense debate on those ideas among contemporary Jeffersonian scholars, which will be explored in the exhibition. Jefferson's coupling of knowledge and freedom also are at the root of the current impassioned demand for an information ''superhighway'' whereby knowledge can be speedily and universally disseminated.

The exhibition will be the centerpiece for a series of events and multi-media projects that will help make Jefferson's ideas (and the Jefferson-Library of Congress connection) understandable to a wide audience. Interpretive brochures, a catalog, educational materials, a summer institute for teachers, a concert of music in Jefferson's time, films, and various videos will enhance the exhibition.

America at Play Exhibition

America at Play is the second exhibition to celebrate the Library's 200th anniversary; through it visitors can see and enjoy how Americans have amused themselves over the past two centuries. Drawing on the Library of Congress's extensive and unique collections, the exhibitions will take its cue from prints, photographs, maps, travel literature, recorded audio and visual materials, manuscripts, and books to cover topics such as the exploration of the west and the rise of tourism; the development of recreational areas in the country; the growth of spectator and recreational sports; the importance of recorded music and film classics; and the golden age of television.

To link these separate elements, the exhibition will select from its unparalleled collection of political cartoons and drawings and the writings of American humorists. These visual commentaries will further illustrate and put into context the ''amusements'' covered. The exhibition, on display from the Fall of 2000, will be accompanied by a catalog, and educational and outreach programs, including a series of musical comedy and film presentation and live performances.

PROPOSED BICENTENNIAL PROJECTS

A variety of Bicentennial projects have been proposed, including local newspaper surveys to identify the most influential book and film of the century, an international conference on comparative constitutional law, a Library-related photography contest with an exhibition of winning photographs traveling around the country, a conference about national libraries at the Library of Congress, and the joint celebration of National Library Week and the Library's Bicentennial in April of 2000.

SUPPORT FOR THE BICENTENNIAL

The Bicentennial projects will be privately funded, with substantial support from the *James Madison Council.* The Madison Council will established in 1990 to help the Library share its unique resources with the nation and the world.

LOOK FOR UPDATES TO THE BICENTENIAL PROGRAM

The Library of Congress Bicentennial home page will be changed as the program develops. Check in at this address—*http://www.loc.gov/bicentennial/*—for the latest information on Bicentennial activities and events.●

WORKPLACE RELIGIOUS FREEDOM ACT

● Ms. MIKULSKI. Mr. President, I rise today to support a bill introduced by my colleagues Senators KERRY and COATS to protect workplace religious freedom.

I have long championed the rights of individuals to freedom of religious observance and practice. I believe individual Christians, Jews, Muslims, and others should be able to honor their religious beliefs without fear of losing their jobs.

For example, employees should be able to observe Good Friday, the Jewish Sabbath or wear clothing required by one's religion. I've met with many constituents who have expressed their concern to me that they have been discriminated against because of their religious practices.

My State of Maryland already has many employers who are sensitive to the needs of religious accommodation. However, there is room for improvement. One Arab-American woman from my State told me she cannot wear her traditional Muslim garb at her place of employment. I know there are other stories like this which cut across all faiths.

If an employee's religious practice does not cause an undue hardship on an employer, an employee should be given the freedom to observe or practice a religious custom.

I am dismayed that many individuals are discriminated against in our society, because of their religious beliefs. Our country was founded on the premise that everyone has a right to religious freedom. We need to preserve this doctrine.

Unfortunately, the courts have interpreted title VII of the Civil Rights Act of 1964 very narrowly when it comes to religious practices. This bill would restore the basic tenet of religious freedom to thousands of individuals who have met with discrimination at the workplace.

I urge my colleagues to support S. 1164, the Workplace Religious Freedom

Restoration Act. I believe religious accommodation is a cherished right that we must protect.●

SITUATION IN IRAQ

● Mr. McCAIN. Mr. President, the United States is once again facing a decision about whether and how to respond to Iraqi intransigence over the issue of its continued development and concealment of weapons of mass destruction and their associated delivery systems. It is imperative that we not back down, as has already been the case to an alarming degree.

All countries act out of their own economic self-interest. The United States is no exception. We should not, however, acquiesce in such conduct in the case of Iraq. Russia, which seeks compensation for weapons it sold to Baghdad during the Soviet era as well as the hard currency and access to oil that Iraq represents, and France, which similarly pursues contracts for the development of Iraqi oil, have led the way in arguing for a relaxation of the economic sanctions levied against Iraq as a result of its 1990 invasion of Kuwait. Countries like Egypt and Kenya have demonstrated growing sympathy for Iraq's economic situation.

The reason why the United States should stand firm and not continue to adopt essentially meaningless positions on the question of sanctions is quite simple: Iraq has to a remarkable degree always held its destiny in its own hands. Little was asked of it other than to come clean on the extent of its efforts to develop weapon systems capable of threatening stability in the world's most volatile region. And, yet, it has consistently, for more than 6 years now, refused to do that, repeatedly challenging the international community and miscalculating the ramifications of its actions.

With regard to its efforts at developing chemical, biological, and nuclear weapons and the missiles to deliver them, a particularly illuminating episode occurred back in August 1995. It was then that Saddam Hussein s sons-in-law, one of whom had been in charge of overseeing the development of those weapons, defected to Jordan. Anticipating the intelligence coup for the United Nations that was to come, the Iraqis decided to preempt the damage the defectors could cause by revealing a wealth of documents—over half-a-million pages—detailing their biological weapons program. Mr. President, 150 steel trunks and boxes stuffed with documentation that was to have been turned over in the aftermath of the Persian Gulf war, yet would likely have remained hidden indefinitely had the defections not occurred, suddenly and miraculously appeared.

Iraq's refusal to abide by the rules of civilized society and to test the will of the international community has been manifested in other ways also. In October 1994, it moved thousands of troops toward the Kuwaiti border, precipitating a costly but essential deployment of United States military forces to the region to deter a repeat of the 1990 invasion. Whether Iraq intended to invade Kuwait at that time is highly unlikely; whether a failure to respond on the part of the United States would have emboldened Saddam is beyond dispute.

Two years later, Iraq launched a large-scale concerted ground campaign against Kurdish enclaves in the country s north. Saddam was able to exploit longstanding, violent divisions within the Kurdish population to reestablish a measure of control over territory denied it since the Gulf war. In so doing, it sent a resounding message to the Kurdish population, including that part to which it allied itself during its military incursion, that it was willing and capable of asserting itself within its borders. Particularly disturbing, if totally in character for Saddam, his intelligence service utilized the opportunity to hunt down and execute Kurdish factions hostile to his brutal rule, including hundreds of individuals who had cast their lot with the United States.

The Clinton administration's response to that incursion into territory supposedly under U.N. protection was to launch a small number of embarrassingly ineffectual cruise missile launches in an entirely different region and to expand the no-fly zone in the south. If our intent was to prevent a horizontal escalation of the conflict, we succeeded. The fact that there was not apparent intent on the part of Saddam at that time to conduct military operations in the south was purely academic.

The most recent incident started out considerably more ambiguous, but is no less damaging to the U.N.'s ability to enforce its provisions over the protracted periods of time necessary to get results. Iraq clearly violated the no-fly zone, but only after Iranian attacks against bases of the People s Mojahedin of Iran situation on the Iraqi side of the border. There is a noticeable dearth of sympathetic parties here, but the bottom line is that the no-fly zone was violated, and the administration was correct to respond. Iraq s apparent retaliatory measures, in effect, the refusal to permit United States citizens to participate in the U.N. inspection teams enforcing Security Council resolutions, has been appropriately rejected by members of the Council.

The problem lies in the political environment Council members France and Russia continue to create that encourages Saddam to believe he can act with impunity. It is absolutely imperative that the administration communicate to these countries, as well as to others sympathetic to the plight of the Iraqi people, that the sanctions must remain in place until Iraq finally does what it has resisted doing for 6 years: abide by the conditions of the cease fire. Saddam himself holds his country's welfare in his hands. All that is asked of him is to place that welfare above his drive to threaten his neighbors with chemical, biological, and nuclear weapons. The fact that he has been unwilling to accept that very basic condition illustrates the need to maintain the sanctions in perpetuity if necessary. The international community was willing to isolate South Africa for an indefinite period of time until fundamental changes were implemented. It is entirely reasonable, and essential for the future of our friends and allies in the Middle East as well as for our own economic well-being, that the international community demonstrate the same steadfastness in the case of Iraq that it did with South Africa. Morally and practically, it is the only option available to us.●

PROMOTION OF JOHN H. OLDFIELD, JR.

● Mr. COVERDELL. Mr. President, I rise today to commend the promotion of John H. Oldfield to Brigadier General of the Georgia Air National Guard and applaud his lifelong service to the State of Georgia and to the U.S. military.

Mr. President, Mr. Oldfield, who was born and still resides with his wife and one son in Savannah, GA, has received numerous distinguished military awards and decorations over his career in the Armed Services. These accomplishments, as well as his lifelong dedication to the well being of the State of Georgia, have led to his recent promotion, which was unanimously approved by the U.S. Senate on October 30, 1997.

Mr. President, I would like to take this opportunity to congratulate Brigadier General Oldfield and wish him continued success in his new position.●

FAREWELL TO JOHN STURDIVANT

● Mr. STEVENS. Mr. President, yesteday, the Federl employee community said a final goodby to John Sturdivant, the president of the American Federation of Government Employees. John lost his battle with leukemia on October 28.

John Sturdivant lead the American Federation of Government Employees—AFGE—since 1988. In fact, in August he won reelection to another term. To say that he will be missed is an understatement.

Although we did not always agree over the years, there was never any question of John's ultimate goal—protection of the interests of Federal employees.

John Sturdivant was a strong leader and forceful defender of the rights of Federal employees. He recognized the need for public servants. Federal employees provide a necessary and valuable service to our country. They should not be misunderstood or mistreated or maligned. John was himself a good public servant and worked hard to be a strong advocate.●

IN SUPPORT OF ENLARGING NATO TO INCLUDE THE NEW INVITEES AND THE BALTIC COUNTRIES

• Mr. DURBIN. Mr. President, I rise today in support of enlarging the NATO alliance to include the current invitees of Poland, Hungary, and the Czech Republic during this round, and the Baltic countries of Lithuania, Latvia, and Estonia during the next round. For the past few weeks, various Senate committees have been reviewing the costs of bringing Poland, Hungary, and the Czech Republic into NATO. The administration estimates the entire cost for this first round of NATO enlargement at $27–$35 billion in the 13-year period from 1997 to 2009. Opponents suggest that the actual costs might actually be much higher, although we will really not have a clear picture until after new estimates are made early next year based on a commonly agreed-upon set of military requirements that NATO ministers will decide on in December. In any case, two things are clear. First, most of these costs would have to be paid anyway—even if NATO did not enlarge. Second, the U.S. share of the total costs will be relatively small.

As part of the present effort to enlarge NATO, Poland, Hungary, and the Czech Republic must restructure and modernize their armed forces. However, they would need to do this in any case and the costs of doing so would probably be much higher without enlargement, since they would have to rely entirely on their own resources to protect themselves. Additionally, current European NATO members must reconfigure their forces so they are more flexible and more easily deployed; but these changes result from the requirements of NATO's New Strategic Concept agreed on by all alliance members in 1991, and not from enlargement as such. These enlargement costs will be paid for by our allies and not by us. From our perspective, these enlargement costs should really be seen as benefits—improvements to NATO's security paid for by our allies, not by us.

The only extra costs of the current round of NATO enlargement are the so-called direct costs of enlargement, which include such things as upgrading communications, air defenses, and infrastructure for rapid reinforcement. These costs would be borne jointly by all NATO members with the United States paying roughly one-quarter of the cost. This means that for every dollar we put toward these direct costs, our allies, old an new, would put in three. You can't get better value for your money than that. Thus, the range of costs the United States would have to pay for the present round of enlargement over the next 13 years would be somewhere between $2 billion—if you believe the administration's figures—and $7 billion—if you believe the recent report by the CATO Institute. Given the millions of lives lost in World War I and II, and the billions of dollars spent during these conflicts, the cold war and now in Bosnia, NATO enlargement is the cheapest single investment we can make.

Aside from the costs, we get real benefits from NATO enlargement. As Secretary Albright and other administration officials have repeatedly and convincingly pointed out, NATO enlargement will deter future threats, prevent the development of a dangerous power vacuum in the heart of Europe, make border and ethnic conflicts far less likely and solidify democratic institutions and free markets in Europe. Just as importantly, the United States will be gaining strong new allies in Poland, Hungary, and the Czech Republic, who between them will add 300,000 troops to the alliance. The costs of enlargement will fall heaviest on them, but these countries know the price of freedom. Each country has been invaded more than once this century and each suffered under Communist domination for over 40 years. They understand that their own security is indivisible from that of the rest of Europe and have already expressed their commitment to be producers of security, and not merely consumers, by cooperating with NATO forces to implement the Dayton accords in Bosnia.

If we refuse to enlarge NATO, we would have told these countries that despite their epic and inspiring struggle to liberate themselves from communism, the West had once again turned its back on them. Even worse, we would leave Central Europe without an effective security system, creating a heightened sense of insecurity in these countries, forcing them to devote more resources to military expenditures, and lowering their potential for economic growth. Under these circumstances, a backlash against Western values might very well develop, yielding a vicious cycle of authoritarianism, militarism, economic stagnation, and greater conflict between neighbors—a pattern this region has seen in the past. This would inevitably bring more problems for the United States in Europe.

Some have asked what's the hurry over NATO enlargement. Surely, the end of the cold war gives us plenty of time to contemplate so momentous a decision. However, if we don't enlarge now when it's relatively easy and inexpensive, how can we be sure that we'll be ready to respond to a crisis in time? We were slow to respond to World War I, World War II, and Yugoslavia out of the fear of the costs. If we wait until a crisis develops, our capacity to deal with it early on will be less, the costs will be higher and our reluctance will be greater. Let's make the decision to enlarge now.

I would remind my colleagues that as the debate over this issue draws near, we must also look beyond the present round of enlargement. In particular, we must pay especially close attention to Lithuania, Latvia, and Estonia.

Given their geography and history, the Baltic countries are a weather vane indicating which way the winds from Russia will blow. Any ambiguity in our commitment to the Baltic countries can only encourage those forces in Russia which have not reconciled themselves to the transformation of the Soviet Union. We must make it clear that Russia is welcome to cooperate with the undivided, free, prosperous, and secure Europe that is being built. However, it can only do so if it is prepared to recognize one of the cardinal principles of the new Europe, articulated by Secretary of State Albright during her visit to Lithuania last July: that all States, large and small must have the right to choose their own alliances and associations.

By their actions, the Baltic States have clearly made their choice known. They have applied for membership in NATO and the European Union, they participate in NATO's Partnership for Peace program and they are contributing directly to NATO's security by cooperating on a regional airspace initiative. By providing troops for NATO-led operations in Bosnia and by participating in the Vilnius Conference on good neighborly relations hosted by Lithuania in September, they have shown their willingness to be producers, not just consumers, of security. Having been invaded by both Stalin and Hitler and having suffered 50 years of Communist occupation, the people of the Baltic countries, no less than the people of Poland, Hungary, and the Czech Republic, know the price of freedom and are willing to pay for it.

If we are serious about our commitment to create a Europe that is whole and free, than the Baltic countries must be included. For that reason, the United States must make it absolutely clear at the earliest possible moment that it supports NATO membership for Lithuania, Latvia, and Estonia.•

THE 50TH ANNIVERSARY OF MADONNA UNIVERSITY

• Mr. ABRAHAM. Mr. President, today I rise to pay tribute to Madonna University on the occasion of its 50th anniversary. As a school which emphasizes academic, social, and spiritual development, Madonna has established a tremendous presence in southeast Michigan, enhancing the quality of life for its students through an excellent array of campus activities and academic programs.

Having converted to a 4-year liberal arts college in 1947, Madonna rapidly continued its expansion of academic services. It was recognized by the Michigan Board of Education in 1954, and just a short time later added nursing, gerontology, religious studies, criminal justice, and radiologic technology to its list of 4-year programs. Thereafter other programs have been added, though there are too many to mention by name. In 1975, Madonna College opened special services to students with hearing and other disabilities. In 1991, changed its name to Madonna University, and 1 year later the

school reached an enrollment high of over 4,400 students.

Of the university's many accomplishments, the one which Madonna achieves year after year is a rapport among students of being a school big enough to offer a vast selection of educational opportunities, but small enough to offer them in a personal manner. When most universities are looking to cut costs through larger class sizes, I'm pleased to say Madonna University is one place where the professors still know their students by name.

Mr. President, on behalf of the U.S. Senate, I commemorate the outstanding tradition of excellence maintained by the faculty, staff, students, and alumni of Madonna University.●

RETIREMENT OF DR. HARRIETT G. JENKINS

● Mr. LEAHY. Mr. President, I submit for the RECORD a joint statement by myself and Senator JEFFORDS on the retirement of Dr. Harriett G. Jenkins.

The statement follows:

JOINT STATEMENT BY SENATOR PATRICK LEAHY AND SENATOR JAMES JEFFORDS ON THE RETIREMENT OF DR. HARRIETT G. JENKINS

On September 30, 1997, Dr. Harriett G. Jenkins officially retired after twenty-five years of service in the executive and legislative branches of our government. Her outstanding contributions in the field of education, at the National Aeronautics and Space Administration (NASA), the Office of Senate Fair Employment Practices, the Senate Committees on Agriculture, Labor, and Judiciary, and at the U.S. Equal Employment Opportunity Commission (EEOC) have won her the respect and admiration of everyone who has been privileged to work with her. Her impressive career in public service spanned 19 years as a public school educator in Berkeley, California, and carried through her most recent and superior performance as Special Assistant to Commissioner Reginald Jones of the EEOC. In appreciation of her outstanding service, we want to recognize her many achievements.

Dr. Jenkins was born in Fort Worth, Texas, and received a Bachelor of Arts Degree in Mathematics from Fisk University in Nashville, Tennessee. She earned a Master of Arts Degree in Education and a Doctorate of Education in Policy, Planning and Administration, both from the University of California at Berkeley. She completed the Advanced Management Program of the Harvard Business School; obtained a law degree from Georgetown University, Washington, D.C., and was awarded an Honorary Doctorate of Science Degree from Fisk University.

Dr. Jenkins began her career as a public school educator in Berkeley, California, and rose through the ranks to become vice-principal, principal, and Director of Elementary Education before reaching the post of Assistant Superintendent for Instruction in 1971. She assisted with the integration of the school system, fully involving parents and the community, and with the implementation of many exemplary educational programs. In 1973, Dr. Jenkins moved to Washington, D.C., accepting the position of consultant to the District of Columbia school system for the Response to Educational Needs Project.

In 1974, Dr. Jenkins joined the staff at NASA. She served for eighteen years as Assistant Administrator for Equal Opportunity Programs at NASA. She helped NASA integrate its workforce and ensure equal opportunity in personnel transactions. During this period, she helped initiate a significant increase in the number of female and minority employees, particularly in the non-traditional positions of engineers, scientists and astronauts. She also assisted with the expansion of educational programs and scientific research for minority universities.

In 1992, Harriett Jenkins was chosen by the Majority and Minority Leaders and appointed by the President pro tempore of the United States Senate to be the first Director of the newly established Office of Senate Fair Employment Practice. In 1996–1997, she served as counsel and professional staff member on the Senate Committees on Agriculture, Forestry and Nutrition, Labor and Human Resources, and Judiciary. In June, 1997, she was appointed as Special Assistant to Commissioner Reginald Jones of the U.S. Equal Employment Opportunity Commission until her retirement on September 30, 1997. In this position, she made critical contributions to the report of the EEOC task force on the ''Best'' Equal Employment Opportunity Policies, Programs and Practices in the Private Sector.

Dr. Jenkins has received numerous awards throughout her prestigious career. In 1977, Dr. Jenkins received NASA's highest award, the Distinguished Service Medal. Also during 1977, she chaired the Task Force on Equal Opportunity and Affirmative Action, one of nine task forces of the Personnel Management Project which led to the Civil Service Reform Act. For this work, she received the Civil Service Commissioner's Award for Distinguished Service. Dr. Jenkins received the President's Meritorious Executive Award in 1980; NASA's Outstanding Leadership Medal in 1981; and the President's Distinguished Executive Award in 1983.

In 1986, Dr. Jenkins was elected to the National Academy of Public Administration; and in 1987, she received the Black Engineer of the Year Award for Affirmative Action. In 1988, she received a second Distinguished Service Medal from NASA; in 1990, the Women in Aerospace Lifetime Achievement Award; in 1992, NASA's Equal Employment Opportunity Medal, and the President's Meritorious Executive Award; and in 1994, NASA's Equal Employment Opportunity Medal. In September, 1997, she was awarded a citation by the EEOC for her distinguished service to the Task Force on the ''Best'' Equal Employment Opportunity Policies, Programs and Practices in the Private Sector.

Integrity, intelligence, and commitment to doing the best job possible are characteristics that describe Dr. Jenkins. She has worked tirelessly to advance the goals of protecting the American worker from discrimination in the workplace and tear down the barriers preventing women and minorities from reaching full employment potential.

Dr. Jenkins is leaving government service, but her legacy of dedication to fairness and equality in the workplace will enrich and enlighten workers for generations to come. We personally want to thank Dr. Jenkins for her long career in government service as a friend and advisor and wish her the very best in her retirement years.●

FISCAL YEAR 1998 INTERIOR APPROPRIATIONS CONFERENCE REPORT

● Mr. MCCAIN. Mr. President, on October 24, I submitted for the RECORD, a list of objectionable provisions in the fiscal year 1998 Interior appropriations bill. Among the projects mentioned were three items which should not have been listed. They are as follows: $1.5 million for the home energy rating system; $1 million for the weatherization assistance program; and $25,000 for State energy program grants.

Mr. President, these three line items do not violate the criteria I use for determining low-priority, unnecessary, or wasteful spending that was not reviewed in the appropriate merit-based prioritization process. Unfortunately, these three items were inadvertently included on the list. I regret this error, and withdraw my recommendation that these items be line-item vetoed.●

TIME TO RECONSIDER 'RACIST' RHETORIC

● Mr. ABRAHAM. I would like to bring to my colleagues, attention a recent article in Asian Week by Susan Au Allen, president of the United States Pan Asian American Chamber of Commerce, who points out Senator BROWNBACK's significant work on behalf of Asian Pacific American families. It was Senator BROWNBACK who stood up in the House of Representatives last year and opposed those who wanted to slash family immigration. If the elimination of the brothers and sisters and adult children categories had passed, tens of thousands of Asian Pacific families would have been unable to reunite with their loved ones. Ms. Allen writes, ''When the chips were down last year, he came through to preserve freedom for our close family members to immigrate to the United States. And for that Asian Pacific American families across America are grateful to him.''

I ask that the text of the article by Susan Au Allen be printed in the RECORD.

The article follows:

TIME TO RECONSIDER 'RACIST' RHETORIC

(By Susan Au Allen)

No pain, no gain. No money, no talk. No raise money, no get bonus. Are these offensive words? Several Asian Pacific American organizations think so. The Organization of Chinese Americans, the Congressional Asian Pacific American Caucus Institute, and the Asian Pacific American Legal Consortium have been complaining unfairly about a phrase that Sen. Brownback, R–Kan., uttered during a recent Senate Governmental Affairs Committee hearing on the Democratic Party's campaign finance scandal.

The argument is that the ''So no raise money, no pay bonus'' phrase is racist. I saw the videotape of the occasion and did not find it offensive.

Sen. Brownback was speaking to an educated white male, Richard Sullivan, former finance director of the Democratic National Committee. The senator neither mimicked nor changed the tone of his voice. He was drawing a conclusion to a series of questions he asked Sullivan, who was playing escape, evasion, and dissemble. The senator wanted Sullivan to tell the truth about the unusual compensation package that former DNC fundraiser John Huang negotiated with the Democratic Party—the same truth Sullivan told investigators in an earlier deposition.

The senator asked, ''If he didn't produce, no more money. You said, ''If things worked out,'' were your terms. Is that correct?

But the recalcitrant Sullivan did his best to duck the question and replied incoherently, ''Yes. But, senator, if he—he never raised it, and it was more of a—if he had raised it, we—as I've stated, we had no reason to believe anything was improper or illegal. And if he had raised it in April or May I'm certain that it would have been met.''

The truth is that when John Huang took a pay cut to become the Democratic National Committee's top fundraiser, he was paid a base salary of $60,000, plus a bonus based on the amount of money he would raise. To close the circle, Sen. Brownback concluded with a straight face, ''So, no raise money, no get bonus.'' Even Sen. Daniel Inouye, D-Hawaii, said that Brownback ''didn't mean to slight anybody by this remark.''

Now, why would these Asian Pacific American organizations get so offended by that remark? Every time they make a public statement about the campaign finance scandal, the leaders of these groups mention the senator's utterance. Why? It's clear that a number of these groups are led by, for the lack of a better word, liberals. As friends of the Clinton-Gore administration, groups like the Organization of Chinese Americans, the Congressional Asian Pacific American Caucus Institute, and the Asian Pacific American Legal Consortium are playing partisan politics and, quite implausibly, becoming more outraged at a single misinterpreted comment by a Republican senator than by Democratic Party individuals, including the president, whose fundraising improprieties have cast aspersions on millions of law-abiding Asian Pacific Americans.

Their complaint against Sen. Brownback is out of place and, more importantly, shows a lack of serious interest in the truth. Otherwise, they would have found out that Sen. Brownback is a true friend of the Asian Pacific American community. In 1996, Congress was debating a contentious immigration bill which could cut legal immigration by one-third. The proposed bill would stop American citizens from petitioning for their parents, adult children, brothers, and sisters for immigration.

However, the senator introduced the famous Brownback amendment which preserved all these immigrant categories in the law. Not only did he cosponsor the amendment, he worked very hard to persuade two dozen Republicans to fight the cut in legal immigration. He told those who would listen that ''It's wrong for us to turn the clock back to the 1920s when we shut the door to immigrants.'' Because of this, tens of thousands of Asian Pacific Americans are and will be able to petition for their parents, adult children, brothers, and sisters for immigration. Perhaps these Asian Pacific American organizations did not know about his work at the time because they only worked with the Democratic side of Congress.

Now all of them should know who their friends are and who their enemies are. As to the enemy? Well, who got them into this campaign finance scandal in the first place? Try President Clinton, Al Gore, and the Democratic National Committee. And who is a true friend to Asian Americans? Try Sen. Brownback. When the chips were down last year he came through to preserve freedom for our close family members to immigrate to the United States. And for that, Asian Pacific American families across America are grateful to him.●

CBO COST ESTIMATE—S. 318

● Mr. D'AMATO. Mr. President, the Committee on Banking, Housing, and Urban Affairs reported S. 318, the Homeowners Protection Act on Friday, October 31, 1997. The committee report, Senate Report No. 105–129, was filed the same day.

The Congressional Budget Office cost estimate required by Senate Rule XXVI, section 11(b) of the Standing Rules of the Senate and section 403 of the Congressional Budget Impoundment and Control Act, was not available at the time of filing and, therefore, was not included in the committee report. Instead, the committee indicated the Congressional Budget Office cost estimate would be published in the CONGRESSIONAL RECORD when it became available.

Mr. President, I ask that the full cost estimate and cover letter from the Congressional Budget Office regarding S. 318 be printed in the RECORD.

The material follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 4, 1997.

Hon. ALFONSE M. D'AMATO,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 318, the Homeowners Protection Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Susanne S. Mehlman and Mary Maginniss (for federal costs), Marc Nicole (for the state and local impact), and Patrice Gordon (for the private-sector impact).

Sincerely,

JUNE E. O'NEILL, *Director.*

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 318—Homeowners Protection Act

Summary: S. 318 would institute certain reforms in the private mortgage insurance industry. First, the bill would require mortgage lenders and loan servicers to notify borrowers of their right to cancel mortgage insurance and of the procedures to do so. For each loan made one year or more after enactment, the bill would provide for the automatic cancellation of mortgage insurance (including coverage provided by state and local governments) when the outstanding principal balance on the loan drops to 78 percent of the value of the home at the time the loan was issued, provided the borrower's payments are current. S. 318 would establish disclosure procedures for the providers of lender-paid mortgage insurance and would impose civil liability on any mortgage servicer who failed to comply with the requirements of this bill. S. 318 also would dissolve the Thrift Depositor Protection Oversight Board and transfer its remaining responsibilities to the Department of the Treasury. In addition, the bill would reduce from four to two the number of annual meetings the Affordable Housing Advisory Board must hold each year.

CBO estimates that enacting S. 318 would result in savings of about $250,000 a year in outlays from direct spending. Because the bill would affect direct spending, pay-as-you-go procedures would apply. We also estimate that enacting this bill would not result in any significant impact on federal spending subject to appropriation.

S. 318 would impose both private-sector and intergovernmental mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA). CBO estimates, however, that the direct costs of complying with the mandates would not likely exceed the thresholds specified in UMRA ($100 million for private-sector mandates and $50 million for intergovernmental mandates, in 1996 dollars adjusted annually for inflation).

Estimated cost to the Federal Government

Direct spending

Current law requires the Thrift Depositor Protection Oversight Board to monitor the operations and spending of the Resolution Trust Corporation (RTC). The RTC was a temporary agency established to resolve thrift failures beginning in 1989. In late 1995 the RTC was dissolved and its remaining assets were transferred to the Federal Deposit Insurance Corporation. The Oversight Board now retains responsibility for only two functions. The first is to oversee operations of the Resolution Funding Corporation (REFCORP), which issued bonds totaling $30 billion from 1989 to 1991 as part of RTC's initial funding. Second, the Oversight Board retains a nonvoting membership, through the end of 1998, on the Affordable Housing Advisory Board. By terminating the Oversight Board, the bill would eliminate the annual costs for the one employee of the board who prepares periodic reports required of all distinct entities of the government and performs other routine functions. Based on information from the Treasury, CBO estimates that transferring the statutory responsibilities of the Oversight Board to the Treasury would result in savings of about $250,000 annually in direct spending. Because the Oversight Board has the authority to pay its expenses without appropriation action, these savings would be a reduction in direct spending.

This bill also would affect insured depository institutions, including banks, thrifts, and credit unions that hold qualifying mortgage portfolios. As a result, the federal banking regulators—the Federal Reserve, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of Thrift Supervision—would have some responsibility to monitor and enforce the statute. Spending by these agencies is not subject to the annual appropriation process. However, CBO expects that the additional regulatory costs for these agencies would be small and offset by fees in most cases, resulting in no significant net cost to the federal government.

Spending subject to appropriation

Spending by the Treasury to carry out the routine functions of the Oversight Board would be subject to appropriation. CBO estimates that any additional spending would be minimal. In addition, reducing the number of times the Affordable Housing Advisory Board must meet annually is not expected to result in any significant savings. Also, CBO estimates that imposing civil liability on mortgage servicers who do not comply with the requirements under the bill would not result in any significant costs to the federal court system because the caseload is expected to be minimal and any cases reaching trial would most likely be tried in state courts.

Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Legislation providing funding necessary to meet the government's existing deposit insurance commitment is excluded from these procedures. CBO believes that requiring insured depository institutions to terminate private mortgage insurance would not meet the exemption for

full funding of deposit insurance and thus would have pay-as-you-go implications. Spending by the federal banking regulators to monitor and enforce the provisions of the bill is estimated to be small, however, and in most cases would be offset be fees charged to the depository institutions, resulting in no significant net cost to the federal government. Eliminating the Thrift Depositor Protection Oversight Board would reduce direct spending, but these savings would also be insignificant.

Intergovernmental and private-sector impact: S. 318 would impose both private-sector and intergovernmental mandates as defined in UMRA. The bill contains mandates on mortgage lenders, loan servicers, purchasers of mortgage loans, and private mortgage insurance (PMI) companies in the mortgage industry. Provisions in the bill would be enforced by private law suits. CBO estimates that the annual direct costs of complying with mandates identified in this bill are not likely to exceed the statutory thresholds for private-sector or intergovernmental mandates. Inasmuch as state and local governments finance mortgage loans and service and insure some of the loans extended, they would bear some of the costs of complying with these mandates. CBO estimates that at least 95 percent of all identified costs would fall on the private sector, less than 5 percent of the costs would be borne by state and local governments.

Private mortgage insurance protects lenders—or the ultimate purchaser of a mortgage loan, such as Fannie Mae or Freddie Mac—against financial loss if a borrower defaults on a mortgage loan. Industry data show that the lower the down payment, as a percentage of the property value, the greater is the risk that the loan will default. Mortgage insurance is generally used when a borrower makes a down payment of less than 20 percent of the value of the home—that is, when the mortgage has a loan-to-value (LTV) ratio greater than 80 percent. In 1996, the eight PMI companies backed nearly one million residential mortgage loans and a total of $127 billion in loans were covered by PMI.

Mandates

S. 318 would allow borrowers to request cancellation of a PMI policy after paying off 20 percent of the property's original value. To be eligible for policy cancellation at 20 percent equity, the bill would require that a borrower (1) make a written request for cancellation; (2) be current on mortgage payments; (3) certify that he or she holds no second mortgages on the property; and (4) demonstrate that the property's value has not depreciated below its value at closing. S. 318 would require that private mortgage insurance be canceled once a borrower has reached 22 percent equity unless the insurance covers a ''high-risk'' loan. Borrowers with loans deemed to be high risk according to guidelines to be developed by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation would not qualify for early cancellation. Such borrowers, however, would have their insurance terminated at the half-life of the loan. Upon termination of PMI insurance, the bill would require that servicers (and PMI companies) refund to the borrower any premiums already paid for the period beyond the termination date.

Beginning one year after enactment, S. 318 would require lenders and servicers to provide written disclosures about insurance cancellation rights to borrowers who are required by creditors to obtain private mortgage insurance as a condition for entering into a residential mortgage agreement. S. 318 would require that the lender notify the borrower in writing at or before closing of his cancellation rights under PMI and give the borrower an amortization schedule. The amortization schedule would be used to determine a termination date at which the borrower would no longer be required to pay insurance premiums. The bill also would require, before closing, mandatory disclosures to purchasers of lender-paid mortgage insurance indicating that lender-paid mortgage insurance may not be canceled. After the initial disclosure at loan origination, loan servicers would be required to notify borrowers with ''borrower-paid'' PMI (including existing loans with PMI) of their cancellation rights in an annual written statement.

Estimated Costs of Mandates

In the first year after enactment, the total costs of the mandates would consist of the costs to lenders and services of modifying systems to accommodate the transmittal and storage of additional data. Lenders and servicers would also have to modify software programs to provide the required additional disclosures to borrowers and to develop the procedures to trigger automatic termination of PMI insurance for eligible borrowers. In total, the initial ''set-up'' costs should be somewhat below $100 million dollars. After an initial set-up period of about one year, costs would likely drop. The bulk of costs in the second year would cover disclosure at or before settlement to roughly one million borrowers required to purchase PMI insurance and annual disclosure to about five million borrowers who already have borrower-paid PMI insurance.

CBO estimates that costs to the mortgage industry would gradually start to rise again in a few years as the cost to servicers of terminating PMI policies, and the loss of premium income to PMI companies start to accumulate. Most loans to which automatic termination would apply would not reach an LTV ratio of 78 percent to qualify for termination until well after the five-year period of analysis required by UMRA.

Estimated impact on State, local and tribal governments

Because state and local governments participate in mortgage financing, they would bear some of the compliance costs of S. 318. CBO estimates that the state and local share of such costs would total less than $5 million a year. All 50 states and some local governments finance mortgages (primarily with mortgage revenue bonds), 21 states service at least a portion of their own mortgage portfolio, and seven states insure mortgages. (The definition of private mortgage insurance used in this bill includes insurance provided by state governments. Only insurance provided by the federal government is excluded.) Based on data from the National Council of State Housing Agencies and Standard and Poors, CBO estimates that state and local governments are involved in less than 5 percent of mortgages that have private mortgage insurance. Their share of the costs would thus be relatively small.

S. 318 would also impose an additional mandate on state governments by preempting certain state laws pertaining to the termination or cancellation of private mortgage insurance or the disclosure of certain information addressed by the bill. Based on discussions with mortgage industry officials and a review of certain state mortgage insurance laws, CBO estimates that this mandate would impose no significant costs on state governments nor would it result in the loss of any revenue.

Previous CBO estimates: On April 7, 1997, CBO provided an estimate for H.R. 607, the Homeowners Insurance Protection Act, as ordered reported by the House Committee on Banking and Financial Services on March 20, 1997. While both H.R. 607 and S. 318 would require that borrowers be notified of their rights to cancel mortgage insurance, these bills differ in their requirements for automatic cancellation of mortgage insurance. H.R. 607 would require automatic cancellation of mortgage insurance when the mortgage has an LTV of 75 percent (or less) while S. 318 would require automatic cancellation of mortgage insurance when the mortgage has an LTV of 78 percent (or less).

On September 17, 1997, CBO provided an estimate for H.R. 2343, a bill to terminate the Thrift Depositor Protection Oversight Board, as ordered reported by the House Committee on Banking and Financial Services on September 9, 1997. S. 318 would also eliminate the Oversight Board and would transfer its remaining responsibilities to the Department of the Treasury.

Estimate prepared by: Federal Costs: Susanne S. Mehlman, for private mortgage insurance. Mary Maginniss, for federal deposit insurance. Impact on State, Local, and Tribal Governments: Marc Nicole. Impact on the Private Sector: Patrice Gordon.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.●

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 1997

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 245, H.R. 2367.

The PRESIDING OFFICER (Ms. COLLINS). The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2367) to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. NICKLES. Madam President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 2367) was read a third time, and passed.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACT

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 236, Senate bill 714.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 714) to make permanent the Native American Veteran Housing Loan Pilot Program of the Department of Veterans' Affairs.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Veterans' Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. EXTENSION AND IMPROVEMENT OF NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM.

(a) EXTENSION.—Section 3761(c) of title 38, United States Code, is amended by striking out ''September 30, 1997'' and inserting in lieu thereof ''December 31, 2003''.

(b) OUTREACH.—Section 3762(i) of such title is amended—

(1) by inserting ''(1)'' after ''(i)'';

(2) in paragraph (1), as so designated—

(A) by inserting '', in consultation with tribal organizations (including the National Congress of American Indians and the National American Indian Housing Council),'' after ''The Secretary shall''; and

(B) by striking out ''tribal organizations and''; and

(3) by adding at the end the following:

''(2) Activities under the outreach program shall include the following:

''(A) Attending conferences and conventions conducted by the National Congress of American Indians in order to work with the National Congress in providing information and training to tribal organizations and Native American veterans regarding the availability of housing benefits under the pilot program and in assisting such organizations and veterans in participating in the pilot program.

''(B) Attending conferences and conventions conducted by the National American Indian Housing Council in order to work with the Housing Council in providing information and training to tribal organizations and tribal housing entities regarding the availability of such benefits.

''(C) Attending conferences and conventions conducted by the Department of Hawaiian Homelands in order to work with the Department of Hawaiian Homelands in providing information and training to tribal housing entities in Hawaii regarding the availability of such benefits.

''(D) Producing and disseminating information to tribal governments, tribal veterans service organizations, and tribal organizations regarding the availability of such benefits.

''(E) Assisting tribal organizations and Native American veterans in participating in the pilot program.''.

(c) ANNUAL REPORTS.—Section 3762 of such title is further amended by adding at the end the following:

''(j) Not later than February 1 of each of 1998 through 2003, the Secretary shall transmit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report relating to—

''(1) the implementation of the pilot program under this subchapter during the fiscal year preceding the date of the report;

''(2) the Secretary's exercise during such fiscal year of the authority provided under subsection (c)(1)(B) to make loans exceeding the maximum loan amount;

''(3) the appraisals performed for the Secretary during such fiscal year under the authority of subsection (d)(2), including a description of—

''(A) the manner in which such appraisals were performed;

''(B) the qualifications of the appraisers who performed such appraisals; and

''(C) the actions taken by the Secretary with respect to such appraisals to protect the interests of veterans and the United States;

''(4) the outreach activities undertaken under subsection (i) during such fiscal year, including—

''(A) a description of such activities on a region-by-region basis; and

''(B) an assessment of the effectiveness of such activities in encouraging the participation of Native American veterans in the pilot program;

''(5) the pool of Native American veterans who are eligible for participation in the pilot program, including—

''(A) a description and analysis of the pool; and

''(B) a description and assessment of the impediments, if any, to full participation in the pilot program of the Native American veterans in the pool; and

''(6) the Secretary's recommendations, if any, for additional legislation regarding the pilot program.''.

SEC. 2. EXTENSION OF AUTHORITIES RELATING TO HOMELESS VETERANS.

(a) DRUG AND ALCOHOL ABUSE AND DEPENDENCE.—Section 1720A(e) of title 38, United States Code, is amended by striking out ''December 31, 1997'' and inserting in lieu thereof ''December 31, 1999''.

(b) AGREEMENTS FOR HOUSING ASSISTANCE FOR HOMELESS VETERANS.—Section 3735(c) of such title is amended by striking out ''December 31, 1997'' and inserting in lieu thereof ''December 31, 1999''.

(c) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out ''December 31, 1998'' and inserting in lieu thereof ''December 31, 1999''.

(d) DEMONSTRATION PROGRAM OF COMPENSATED WORK THERAPY.—Section 7(a) of Public Law 102–54 (38 U.S.C. 1718 note) is amended by striking out ''December 31, 1997'' and inserting in lieu thereof ''December 31, 1999''.

(e) SERVICES AND ASSISTANCE TO HOMELESS VETERANS.—The Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note) is amended—

(1) in section 2(a), by striking out ''September 30, 1997'' and inserting in lieu thereof ''September 30, 1999'';

(2) in section 3(a)(2), by striking out ''September 30, 1997'' and inserting in lieu thereof ''September 30, 1999''; and

(3) in section 12, by striking out ''through 1997'' and inserting in lieu thereof ''through 1999''.

(f) HOMELESS VETERANS' REINTEGRATION PROJECTS.—(1) Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

''(G) $10,000,000 for fiscal year 1999.''.

(2) Section 741 of such Act (42 U.S.C. 11450) is amended by striking out ''December 31, 1997'' and inserting in lieu thereof ''December 31, 1999''.

SEC. 3. EXTENSION AND EXPANSION OF ENHANCED-USE LEASE AUTHORITY.

(a) EXPANSION.—Section 8168(a) of title 38, United States Code, is amended by striking out ''20'' and inserting in lieu thereof ''40''.

(b) EXTENSION.—Section 8169 of such title is amended by striking out ''December 31, 1997'' and inserting in lieu thereof ''December 31, 1999''.

SEC. 4. EXTENSION OF CERTAIN OTHER AUTHORITIES OF THE SECRETARY OF VETERANS AFFAIRS.

(a) PILOT PROGRAM FOR NONINSTITUTIONAL ALTERNATIVES TO NURSING HOME CARE.—Section 1720C(a) of title 38, United States Code, is amended by striking out ''December 31, 1997'' and inserting in lieu thereof ''December 31, 1999''.

(b) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—Section 7618 of such title is amended by striking out ''December 31, 1997'' and inserting in lieu thereof ''December 31, 1999''.

Mr. NICKLES. Madam President, I ask unanimous consent that the committee amendment be agreed to, the bill be considered a third time, and passed, the motion to reconsider be laid upon the table, the title amendment be agreed to, and any statements relating to the bill be printed in the RECORD.

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

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to extend and improve the Native American Veteran Housing Loan Pilot Program of the Department of Veterans Affairs, to extend certain authorities of the Secretary of Veterans Affairs relating to services for homeless veterans, to extend certain other authorities of the Secretary, and for other purposes.

AMENDING THE ACT TO INCORPORATE THE AMERICAN LEGION

Mr. NICKLES. Madam President, I ask unanimous consent the Senate now proceed to the consideration of S. 1377 introduced earlier today by Senators HATCH and LEAHY.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

A bill (S. 1377) to amend the act incorporating the American Legion to make a technical correction.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, I rise today to comment on a bill which will amend the act of incorporation of the American Legion. I have introduced this bill with my colleague from Utah, Senator HATCH, the chairman of the Judiciary Committee.

Last year, Congress expanded the dates of the Vietnam war for purposes of veterans benefits by shifting the official start of the war from December 22, 1961, to February 28, 1961. The bill before the Senate makes a similar change in the Legion's charter. When we pass this into law the Legion will be able to extend membership to those men and women who served honorably on active duty in the U.S. Armed Forces during the early years of the Vietnam war. I am hopeful that we can pass it by unanimous consent today, and have it signed into law by the President before we adjourn for the year.

Mr. President, this modest change will mean a lot to the veterans from that period who wanted the opportunity to join the American Legion but never could. They have waited for more than 35 years to have the privilege of becoming Legionnaires. We should not make them wait one day longer.

I yield the floor.

Mr. NICKLES. Madam President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (S. 1377) was read the third time and passed, as follows:

S. 1377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled ''An Act to Incorporate the American Legion'', approved September 16, 1919 (41 Stat. 285; 36 U.S.C. 45) is amended by striking ''December 22, 1961'' and inserting ''February 28, 1961''.

AUTHORIZATING PRINTING OF SENATE DOCUMENTS AND USE OF OFFICIAL MAIL

Mr. NICKLES. I ask unanimous consent the Senate now proceed to the consideration en bloc of the following resolutions and bill which were submitted and introduced earlier today by Senator WARNER: Senate Resolution 143, Senate Concurrent Resolution 61, Senate Concurrent Resolution 62, Senate Concurrent Resolution 63, and S. 1378.

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

Mr. NICKLES. Madam President, I ask unanimous consent the resolutions be agreed to, the bill be considered read a third time and passed, the motions to reconsider be laid upon the table, and any statements relating to these items be printed in the RECORD with all the preceding occurring en bloc.

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

The resolutions (S. Res. 143, S. Con. Res. 61, S. Con. Res. 62, and S. Con. Res. 63) were agreed to, as follows:

S. RES. 143

Resolved, That the Committee on Rules and Administration is directed to prepare a revised edition of the Senate Election Law Guidebook, Senate Document 104–12, and that such document shall be printed as a Senate document.

Sec. 2. There shall be printed 600 additional copies of the document specified in section 1 of this resolution for the use of the Committee on Rules and Administration.

S. CON. RES. 61

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the publication entitled ''Our Flag'', revised under the direction of the Joint Committee on Printing, shall be reprinted as a Senate document.

(b) There shall be printed—

(1)(A) 250,000 copies of the publication for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 51,500 copies of the publication for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the publication for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the publication and distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $150,000, such number of copies of the publication as does not exceed total printing and production costs of $150,000, with distribution to be allocated in the same proportion as in paragraph (1).

S. CON. RES. 62

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the brochure entitled ''How Our Laws Are Made'', under the direction of the Parliamentarian of the House of Representatives in consultation with the Parliamentarian of the Senate, shall be printed as a Senate document, with suitable paper cover in the style selected by the chairman of the Joint Committee on Printing.

(b) There shall be printed—

(1)(A) 250,000 copies of the brochure for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 100,000 copies of the brochure for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the brochure for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the brochure for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $180,000, such number of copies of the brochure as does not exceed total printing and production costs of $180,000, with distribution to be allocated in the same proportion as in paragraph (1).

S. CON. RES. 63

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the pamphlet entitled ''The Constitution of the United States of America'', prepared under the direction of the Joint Committee on Printing, shall be printed as a Senate document, with appropriate illustration.

(b) There shall be printed—

(1)(A) 440,000 copies of the pamphlet for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 100,000 copies of the pamphlet for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the pamphlet for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the pamphlet for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $120,000, such number of copies of the pamphlet as does not exceed total printing and production costs of $120,000, with distribution to be allocated in the same proportion as in paragraph (1).

The bill (S. 1378) was read the third time and passed, as follows:

S. 1378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORIZATION OF USE OF OFFICIAL MAIL IN THE LOCATION AND RECOVERY OF MISSING CHILDREN.

The Act entitled ''An Act to amend title 3, United States Code, to authorize the use of penalty and franked mail in efforts relating to the location and recovery of missing children'', approved August 9, 1985 (39 U.S.C. 3220 note; Public Law 99–87), is amended—

(1) in section 3(a) by striking ''June 30, 1997'' and inserting ''June 30, 2002''; and

(2) in section 5 by striking ''December 31, 1997'' and inserting ''December 31, 2002''.

UNANIMOUS-CONSENT AGREEMENT—S. 1253

Mr. NICKLES. Madam President, I ask unanimous consent that if and when S. 1253 is reported by the Energy Committee, it be referred to the Agriculture Committee solely for the purpose of considering matters within its jurisdiction for not to exceed 40 days of Senate session. I further ask that if the Agriculture Committee has not reported the matter after that period, the bill be immediately discharged from committee and placed on the calendar.

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

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF RONALD LEE GILMAN

Mr. NICKLES. Madam President, as in executive session, I ask unanimous consent that at 9:30 on Thursday, November 6, the Senate proceed to executive session to consider the Executive Calendar No. 326, the nomination of Ronald Lee Gilman to be circuit court judge for the sixth circuit. I further ask consent that there be 10 minutes of debate equally divided in the usual form, and following that debate the Senate proceed to a vote on the confirmation of the nomination.

I finally ask consent that immediately following the vote, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate go into executive session and proceed en bloc to the following nominations on the Executive Calendar: Nos. 271, 272, 279, 282, 288, 352, 372, 376 through 379, 382, 383, 440, 441, 442, and all nominations on the Secretary's desk in the Coast Guard.

I finally ask unanimous consent the nominations be confirmed, the motions to reconsider be laid upon the table, and any statements relating to the nominations appear at this point in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Nancy Jo Powell, of Iowa, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uganda.

Amelia Ellen Shippy, of Washington, a Career Member of the Senior Foreign Service,

Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malawi.

Barbara K. Bodine, of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Yemen.

Johnny Young, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain.

Robin Lynn Raphel, of Washington, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

DEPARTMENT OF DEFENSE

Jacques Gansler, of Virginia, to be Under Secretary of Defense for Acquisition and Technology.

EXECUTIVE OFFICE OF THE PRESIDENT

Duncan T. Moore, of New York, to be an Associate Director of the Office of Science and Technology Policy.

THE JUDICIARY

William P. Greene, Jr., of West Virginia, to be an Associate Judge of the United States Court of Veterans Appeals for the term of 15 years.

DEPARTMENT OF LABOR

Espiridion A. Borrego, of Texas, to be Assistant Secretary of Labor for Veterans' Employment and Training.

DEPARTMENT OF VETERANS AFFAIRS

Richard J. Griffin, of Illinois, to be Inspector General, Department of Veterans Affairs.

Joseph Thompson, of New York, to be Under Secretary for Benefits of the Department of Veterans Affairs.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Jo Ann Jay Howard, of Texas, to be Federal Insurance Administrator, Federal Emergency Management Agency.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Richard F. Keevey, of Virginia, to be Chief Financial Officer, Department of Housing and Urban Development.

U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

Hank Brown, of Colorado, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring April 6, 2000.

Penne Percy Korth, of Texas, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 2000.

DEPARTMENT OF THE TREASURY

Nancy Killefer, of Florida, to be an Assistant Secretary of the Treasury.

IN THE COAST GUARD

Coast Guard nominations beginning Thomas Flora, and ending Michael R. Olson, which nominations were received by the Senate and appeared in the Congressional Record of October 7, 1997.

Coast Guard nomination of Whitney L. Yelle, which was received by the Senate and appeared in the Congressional Record of October 29, 1997.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

ORDERS FOR THURSDAY, NOVEMBER 6, 1997

Mr. NICKLES. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Thursday, November 6. I further ask that on Thursday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate immediately resume executive session to consider the nomination of Ronald Gilman of Tennessee to be a circuit judge, for 10 minutes, to be followed by a rollcall vote on the confirmation of Judge Gilman.

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

Mr. NICKLES. Following the 9:40 a.m. vote, the Senate will begin consideration of the conference report to accompany H.R. 1119, the Department of Defense Authorization Act, as under the previous order.

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

PROGRAM

Mr. NICKLES. Tomorrow, at 9:40 a.m., the Senate will conduct a rollcall vote on the confirmation of Judge Gilman of Tennessee, to be followed by up to 4 hours of consideration of the conference report to accompany H.R. 1119, the Department of Defense Authorization Act. As under the order, a vote on the adoption of the conference report will occur at the expiration or yielding back of time. Therefore, Members can anticipate that vote at approximately 2 p.m. on Thursday. The Senate may also consider and complete action on any of the following: Amtrak reform, the D.C. appropriations bill, FDA reform conference report, the Intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action.

Therefore, Members can anticipate rollcall votes throughout Thursday's session of the Senate, with the first vote occurring at 9:40 a.m.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. NICKLES. Madam President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:04 p.m, adjourned until Thursday, November 6, 1997, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 5, 1997:

FEDERAL ELECTION COMMISSION

DARRYL R. WOLD, OF CALIFORNIA, TO BE A MEMBER OF THE FEDERAL ELECTION COMMISSION FOR A TERM EXPIRING APRIL 30, 2001, VICE JOAN D. AIKENS, TERM EXPIRED.

EXECUTIVE OFFICE OF THE PRESIDENT

REBECCA M. BLANK, OF ILLINOIS, TO BE A MEMBER OF THE COUNCIL OF ECONOMIC ADVISERS, VICE ALICIA HAYDOCK MUNNELL, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 5, 1997:

DEPARTMENT OF STATE

NANCY JO POWELL, OF IOWA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF UGANDA.

AMELIA ELLEN SHIPPY, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MALAWI.

BARBARA K. BODINE, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF YEMEN.

JOHNNY YOUNG, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF BAHRAIN.

ROBIN LYNN RAPHEL, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TUNISIA.

DEPARTMENT OF DEFENSE

JACQUES GANSLER, OF VIRGINIA, TO BE UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY.

EXECUTIVE OFFICE OF THE PRESIDENT

DUNCAN T. MOORE, OF NEW YORK, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY.

THE JUDICIARY

WILLIAM P. GREENE, JR., OF WEST VIRGINIA, TO BE AN ASSOCIATE JUDGE OF THE UNITED STATES COURT OF VETERANS APPEALS FOR THE TERM OF FIFTEEN YEARS.

DEPARTMENT OF LABOR

ESPIRIDION A. BORREGO, OF TEXAS, TO BE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.

DEPARTMENT OF VETERANS AFFAIRS

RICHARD J. GRIFFIN, OF ILLINOIS, TO BE INSPECTOR GENERAL, DEPARTMENT OF VETERANS AFFAIRS.

JOSEPH THOMPSON, OF NEW YORK, TO BE UNDER SECRETARY FOR BENEFITS OF THE DEPARTMENT OF VETERANS AFFAIRS.

FEDERAL EMERGENCY MANAGEMENT AGENCY

JO ANN JAY HOWARD, OF TEXAS, TO BE FEDERAL INSURANCE ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

RICHARD F. KEEVEY, OF VIRGINIA, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY

HANK BROWN, OF COLORADO, TO BE A MEMBER OF THE UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING APRIL 6, 2000.

PENNE PERCY KORTH, OF TEXAS, TO BE A MEMBER OF THE UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 2000.

DEPARTMENT OF THE TREASURY

NANCY KILLEFER, OF FLORIDA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

JAMES S. GWIN, OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OHIO.

IN THE COAST GUARD

COAST GUARD NOMINATIONS BEGINNING THOMAS FLORA, AND ENDING MICHAEL R. OLSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 7, 1997.

COAST GUARD NOMINATION OF WHITNEY L. YELLE, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF OCTOBER 29, 1997.