must confess that it is not a new problem. As we deregulate various industries—and I happen to be for deregulation and letting competition work—we find ourselves with some problems in rural areas, whether it be telephones, or the deregulation of electricity, or air transportation. The obvious effect of deregulation is that capital and facilities, in this case airplanes, move to where there is the greatest usage, where there is the highest density.

So we have made some arrangements, for instance, in telephones with universal service to ensure that despite the fact that the real advantages of competition go to where the heavy volume is, we do continue to provide service to rural areas.

My State of Wyoming is struggling to maintain dependable, scheduled, available air service to airline hubs like Denver and Salt Lake City. We are in the process of seeking to strengthen our economy there, to recruit businesses to move to Wyoming. Travel and tourism is one of the three major economic activities in Wyoming, and so transportation is a vital component of our future. But we are having some problems.

Last year, for example, Mesa Airlines, which operated as United Express, pulled service from five towns in Wyoming that they had been servicing in years past. I worked with Senator ENZI, my associate here, Congresswoman CUBIN, the Governor, and others, and we finally were able to keep service to these towns. In fact, we had to go all the way to the chairman of the board of United Airlines to make this happen. Unfortunately, in most of these towns, we were only able to keep Essential Air Service (EAS). This provides just a bare minimum of service and I am glad we have it, but it does not provide the kind of service that is necessary if you are really going to have economic growth and development. In addition, in other Wyoming communities we continue to face cutbacks in the number of seats that are available every day as well as the loss of jet service to some of these towns.

Those of you who are familiar with Jackson Hole, WY, know that it is a travel town. That is where a great number of people come and go. It is just devastating to the local economy when there are not enough seats to service demand.

As I mentioned, Mr. President, I am in favor of deregulation. I think that makes for healthy competition. But I am concerned that sometimes we have to try another approach. As I mentioned, the investment in dollars nationally—and I understand it—go to where the yield is. They go to where the traffic is. That, I do think we have to understand. But we met with Delta Airlines which serves Salt Lake City and Jackson Hole, WY, and talked a little bit about the fact that there is a need for service, and frankly if we do not have service in some of these places I think you are going to see a continued interest in going back to some re-regulation in air service. I hope it doesn't come to that.

Part of the problem, as I understand it, is the so-called code-share agreements between the big carriers and the commuters airlines. If you go to Denver from Casper, WY, a part of that fare subsidizes the cost of the trip that takes you from Denver to Washington. That does not seem right. That isn't the way it ought to be.

These airlines are basically moving toward a monopolistic situation in the large ''hub'' airports, served almost entirely by one carrier, which makes serving rural America very difficult because then those airlines can dictate everything—fares, schedules, you name it.

This is kind of unusual for me. I am a marketplace guy. I am one who wants competition. But I also firmly believe that when it comes to these vital services, there has to be a way to ensure that all of America will be served.

I have been involved, because of my chairmanship of the Subcommittee on East Asia, in the rights to go overseas—''beyond rights.'' I have to think, myself, why are we spending a lot of time and energy talking about expanding air service to somewhere in China when you can't go to Cody, WY?

So that's the situation we find ourselves in today. I don't have all the answers. But I do know that we will continue to work at this issue in Congress. The Essential Air Service (EAS) program works well. But we need to do more. Dependable and safe air travel is an economic lifeline for our State, as it is whether you are in Boston or whether you are in San Francisco. We depend on tourism and small businesses to drive our economy in Wyoming.

We need to come up with a long-term solution to this problem. Hopefully, it will be done in the marketplace so it will be something that is not forced upon the airlines. However, it is hard for me, as I said earlier, to get excited about working on ''beyond rights,'' when we can't get to our own towns.

I am glad we are considering this bill. We need to get this done so our airports can be financed. I am very involved in what is going on with Wyoming's air service. I happen to be a private pilot and have flown quite often into these airports. I know how important it is for us to have that air service.

I commend the Senators who have worked on this bill. I suggest we always need to keep in mind those rural areas to which we find it difficult to provide service.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 3643

Mr. WARNER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Virginia [Mr. WARNER], for himself, Mr. SARBANES, Ms. MIKULSKI and Mr. ROBB, proposes an amendment numbered 3643.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 47 of the manager's amendment, between lines 6 and 7, insert the following:

SEC. 607. (g) PROHIBITION.—Notwithstanding any other provisions of this Act, including the amendments made by this Act, unless all of the members of the Board of the Metropolitan Washington Airports Authority established under section 49106 of title 49, United States Code, have been appointed to the Board under subsection (c) of that section and this is no vacancy on the Board, the Secretary may not grant exemptions provided under section 41716 of title 49, United States Code.

Mr. WARNER. Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Virginia is adopted.

The amendment (No. 3643) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. 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. MCCONNELL. I ask unanimous consent to proceed for 10 minutes as in morning business.

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

CATASTROPHE IN KOSOVO

Mr. MCCONNELL. Mr. President, I rise today to draw attention to the foreign policy catastrophe unraveling in Kosovo. Yogi Berra immortalized the phrase ''this is deja vu all over again''—and that is just what we are seeing in Kosovo—Bosnia, all over again. Today, just like yesterday and the day before, men, women, and children in Kosovo are living and dying witnesses to a rerun of the tragic experience suffered by Bosnia for three brutal years. Hundreds of thousands of civilians are, once again, the victims of our false promises and a deeply flawed policy.

Take a minute to review the events as they have unfolded on the ground to establish exactly what I think Belgrade has learned about United States policy. What Milosevic and his mafia have figured out is—we bluster and threaten,

we issue ultimatums and condemnations, but the policy is hollow, the threats are empty, the show is a charade.

A recent Congressional Research Service chronology provides stark evidence of this sad pattern of Western threats and demands, always swiftly challenged by vicious Serbian violence and assaults against Kosovo's civilians. And, the response to these attacks? Concessions and inaction.

The United States has not failed alone. We are joined in this collective dishonor by the G–7 nations, the OSCE, the European Union, the Contact Group, and even the United Nations which have individually and collectively reneged on commitments made to take action to stop the bloodshed, to produce a cease-fire, to prompt a withdrawal of Serb troops, and to protect the rapidly mounting numbers of refugees and displaced people.

The CRS report tell us:

On January 8, the six nations of the Contact Group declared Kosovo a matter of priority urging a peaceful dialogue to begin between parties. This message was reinforced by Special Envoy Gelbard in meetings with Milosevic in Belgrade. The response, within days, was attacks by the Serbian police on a small village leaving ethnic Albanians dead and more wounded. While this was a relatively small assault, the beginning of the coming trend was marked by 20,000 people turning out for the funeral in protest of that action.

On February 23, Gelbard announced some minor concessions to the Serbs including restoring landing rights for their airlines. At the same time the Contact Group foreign ministers issued a statement expressing concern about the lack of progress in dialogue. In an attempt at balance and fairness they even condemned terrorist acts by the Kosovo Liberation Army and reiterated their lack of support for Kosovo independence.

What did the Serbs do in response to these generous gestures? Within three days, Serbian forces launched major attacks on villages in central Kosovo. CRS reports the attacks were ''spearheaded by thousands of Serbian police and Interior Ministry troops and resulted in 20 to 30 deaths mostly of ethnic Albanians.''

On March 2, the United Stats and the European Union joined voices in condemning violence by Serb forces. On March 5, Serb police and special antiterrorist units ''began their second largest offensive in central Kosovo. KLA strongholds were attacked with armored vehicles and helicopter gun ships * * * the assault continued for 2 days and claimed the lives of 6 police officers and over 50 Kosovar Albanians.''

On March 4, Mr. Gelbard said, ''I guarantee you we simply won't brook any renewal of violence,'' followed on March 7, by Secretary Albright who issued her now famous ultimatum. She said, Milosevic ''will have to pay a price. The international community will not stand by and watch the Serbian authorities do in Kosovo what they can no longer get away with doing in Bosnia.'' Her statement was backed up by a Contact Group declaration demanding Milosevic take specific steps within ten days including withdrawing paramilitary troops and allowing Red Cross access conflict zones.

As the Contact Group was issuing its statement, in a gruesome public spectacle, Serb troops dumped 51 bodies at a warehouse, each one an ethnic Albanian, 25 of them were women and children. Before international forensics experts could complete autopsies, the Serbs bulldozed the bodies into a mass grave.

This pattern of challenge and brutal response continued weekly through the spring and summer. Threats of western actions have been dismissed by Serb attacks, after attack, after attack.

Villages are shelled, burned and looted. Crops and fields are burned. The death toll and refugee population swells. Yesterday a Kosovo journalist told me that the Serbs have now destroyed 400 of the 700 villages in Kosovo.

And, the world watches. Deja vu all over again.

I thought we had reached an all time low in June when 84 NATO planes carried out a six nation exercise in Albania and Macedonia intended as a show of strength and force. The Washington Post summed up the events saying, ''Yugoslavia's reply to threats of NATO air strikes could be heard for miles around in the nightly bombardment of border villages.''

Mr. President, the tragedy continues. Winter's cold curtain now falls upon the weakened shoulders of tens of thousands of families expelled from their homes, in hiding in the mountains and forests of Kosovo. Soon, we will begin to see the heart-rending, pitiful images of ailing, elderly women, clutching babies and toddlers, every possession they could salvage strapped to their backs, stagger out of hiding, hoping to cross borders into safe haven, but more likely, stumbling into harm's way.

And, this time, Mr. President, the consequences of inertia are deadly serious. I agree with Ambassador Holbrooke's assessment that Kosovo is ''the most explosive tinderbox in the region.'' Unlike Bosnia, the long-standing frictions involving Kosovars, Albanian, Serbs, and Macedonians have consequences in Greece and Turkey—precarious NATO partners in the best of times.

The conditions in Kosovo have demanded action for months. Instead we have been a state of policy stall. Now, as much in recognition of the weather, the Administration has turned a lethal pattern of appeasement into a dangerous policy of collaboration and containment.

Let me point to two examples of the current approach which seeks a partnership with Belgrade rather than protection of innocent refugees. As conditions worsen, the Administration seems seized with a containment strategy, which balances on improving delivery of relief while controlling what they view as potentially messy regional spillover problem.

There are two prongs to this misguided effort. First, let me describe what the Administration is considering on the relief front. Earlier this month, administration officials announced plans to work in Kosovo through twelve centers established by Serb security forces to distribute emergency food and supplies to the victims of this savage war. I am not sure what surprised me more—the fact that we would work with the very forces which carried out the atrocities creating hundreds of thousands of victims, or the fact that we decided to encourage this cooperation by actually making food available to Serb troops. The new chief of the Bureau for Humanitarian Affairs offered and has provided thousands of food rations to Serb troops fresh from bloody killing fields. He even asked NGO representatives to cooperate with this plan and work through these twelve centers. As one representative described it to me, the NGOs were the bait, intended to lure refugees into Serb centers. AID claims that this plan was agreed to by the major non-government organizations carrying out humanitarian relief in Kosovo, but I can't find one that thinks collaborating with Belgrade makes any sense.

This effort to control and contain the problem also has a military component—but the wrong military component. Last week, the foreign Operations Subcommittee was briefed on Administration plans to provide $7.3 million in security assistance loans to Macedonia. This train an equip initiative will provide night vision goggles, surveillance radar, ammunition, body armor, howitzers and trucks to 3,000 Macedonian soldiers—troops with longstanding ties to Serbian security forces. Coincidentally, Macedonia also has an ethnic Albanian community which suffer what many describe as apartheid-like conditions.

Arming the Macedonians is the wrong substitute for the current policy failure in Kosovo. Having failed to talk Milosevic into submission, this program strikes me as a complete retreat in which the United States is supplying an effort to establish a cordon sanitaire isolating Kosovo. Strengthening Macedonian troops may have a defense purpose but it also clearly serves an offensive one—to curb the flow of people and supplies into and out of Kosovo.

I hope we all learned at least one lesson in Bosnia—we pay a huge price for imposing an unfair and imbalanced embargo against only one party in a conflict. In good conscience, I for one, cannot support an initiative designed intentionally or otherwise to surround and choke off Kosovo. I have made

clear to the Secretaries of State and Defense that I will not release the funds for this reprogramming unless and until appropriate action is taken to produce results in Kosovo.

Secretary Albright has repeatedly stated that the only kind of pressure Milosevic and his mafia understand is the kind which exacts a real price for his unacceptable conduct. His campaign to burn Kosovo to the ground was launched as the Administration pushed Kosovars to the negotiating table and continues as we speak today. it is well past the time for threats of sanctions and NATO flyovers. The Administration must move decisively, offering the necessary leadership to back up our ultimatums with the effective use of air strikes and force in order to secure our common goals: a cease fire, the withdrawal of Serb forces, and the protection of refugees, displaced people and relief efforts.

Balkan history provides substantial evidence that Belgrade's abuse of force demands a commensurate response. Without this fundamental guarantee, diplomacy will most certainly fail and we will bear witness to yet another of Milosevic's genocidal slaughters. His victims will not only be those who suffer, lose their life possessions, and die on Kosovo's fields. He will also destroy American honor and credibility—taking along with that what shred of hope there is for us to lead this troubled world onto a peaceful path into the next century.

Mr. President, I yield the floor.

WENDELL H. FORD NATIONAL AIR TRANSPORTATION SYSTEM IMPROVEMENT ACT OF 1998

The Senate continued with the consideration of the bill.

Ms. MOSELEY-BRAUN. Mr. President, I want to take this opportunity to thank the chairman of the Senate Commerce Committee, Senator MCCAIN, and the ranking member, Senator HOLLINGS, as well as Senators FORD and GORTON for their patience and help in working with me to reach an acceptable agreement regarding O'Hare Airport.

I do not think I need to remind them how upset I was when I learned they had added a provision to the FAA reauthorization bill adding 100 additional flights per day at Chicago's O'Hare International Airport. The provision was added to the original legislation without consulting the local officials who manage the airport, without input from the mayor of Chicago who is responsible for the airport, without input from the local communities surrounding the airport who will be most affected by additional noise and air pollution, and without consulting either of the senators from Illinois.

This provision immediately raised a firestorm of criticism in the Chicago area. I have an inch-thick stack of newspaper clips from about a 10 day period after this provision appeared in the FAA reauthorization bill, which attests to the deep level of interest Chicago-area residents have in this matter.

O'Hare is already the busiest airport in the world. There are at least 400,000 people whose daily lives are affected by the noise and air pollution generated by the airport. The quality of life of these suburban residents must be taken into account before changes are made affecting the number of operations at O'Hare Airport.

While I was displeased that the new-flights provision was added to the FAA bill without consulting me, the chairman and ranking member have since been gracious and accommodating and have worked with me to reach an agreement on this issue. I want to thank the chairman for his patience, and for his willingness to work with me on a compromise that I believe accommodates his needs, as well as the needs of Chicago-area residents.

The agreement we reached reduces from 100 to 30 to the number of additional flights per day at O'Hare. The agreement provides that 18 of the 30 slot exemptions will be reserved for ''under-served'' markets, and no less than six of the 18 will be ''commuter'' slot exemptions reserved for planes with less than 60 seats.

Before any of these slot exemptions are made available, the Secretary must: certify that the additional flights will cause no significant noise increase; certify that the additional flights will have no adverse safety effects; consult with local officials on the environmental and noise effects of the additional flights; and perform an environmental review to determine what, if any, effect the additional flights will have on the environment.

In addition, only ''Stage 3'' aircraft, the quietest type of aircraft recognized by the FAA, will be eligible to use the new take-off and landing slots.

Finally, after three years the Secretary of Transportation will study and report to Congress as to whether the additional flights resulting from the new slot exemptions have had any effects on: the environment, safety, airport noise, competition at O'Hare, or access to under-served markets from O'Hare.

The Secretary will also study and report on noise levels in the areas surrounding the four ''high-density'' airports (Chicago O'Hare, Washington National, New York LaGuardia, and New York JFK) once the national 100 percent Stage 3 requirement is fully implemented in the year 2000.

I believe this agreement goes a long way toward addressing the concerns of the local officials and residents of the cities surrounding O'Hare. I want to again thank Senators MCCAIN, HOLLINGS, FORD, and GORTON for their attentiveness and understanding. The people of Illinois spoke out in response to the O'Hare provision they inserted in the FAA reauthorization bill, and these Senators listened.

I am particularly pleased that the agreement we reached on this issue, that was reflected in the managers' amendment adopted yesterday, allows this important FAA reauthorization legislation to advance in the Senate. This bill must become law before the end of the year in order to ensure that important airport improvement projects are not delayed or disrupted.

The legislation also includes several important provisions designed to increase air service to small and underserved communities. In Illinois, some of the most serious complaints regarding air service come from our small and medium-sized communities that want air service to O'Hare and other major airports in order to attract global businesses. I am delighted I was recently able to help restore air service between Decatur, Illinois and O'Hare. The restoration of this service will help the city of Decatur, which promotes itself as ''America's Agribusiness Center,'' grow in today's global economy. There are a number of communities across my state demanding flights to Chicago and New York, and the provisions of this legislation should help them get more air service.

I want to again thank the chairman for his understanding.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, while we are waiting for what I hope will be a final resolution of one remaining matter on this bill, I would like to speak to the bill itself, with the understanding of my friend and colleague from Arizona, who knows that I am going to be critical of a portion of the bill. I would like to also thank my colleagues from the capital area, the distinguished senior Senator from Virginia, Senator WARNER, as well as Senators from Maryland, Senator SARBANES and Senator MIKULSKI, for their efforts to make some improvements in an area of this bill that concerns all of us, and many others.

Mr. President, I rise this afternoon to express my strong opposition to interference in our region's airports that is included in the FAA reauthorization bill. I certainly understand that this overall legislation is important for the Nation as a whole, and I fully support most of the bill. We must clearly prepare for the future by investing in aviation infrastructure, safety, and security. This bill provides for those critical investments and, for that, I thank Senators MCCAIN and FORD.

This bill also reauthorizes the Airport Improvement Program, which funds the capital needs of our Nation's airports, including millions of dollars for Virginia facilities. Moreover, as the bill's name implies, it reauthorizes the Federal Aviation Administration. The FAA monitors aircraft inspections, manages air traffic control, and develops new ways to detect and prevent security threats. Without these efforts, few people would want to travel by air.