

Alan Cranston is very much a citizen of the world. Having witnessed the devastation of war in Europe and Japan, he has always acted on the belief that America's future cannot be guaranteed unless the world's is. And nothing threatens global security more than the continuing prevalence and proliferation of nuclear weapons.

There are few people who are more dedicated to the reduction and elimination of nuclear weapons than Alan Cranston. So deeply does he feel about this issue that he has made it his life's work. In 1995, with the guidance of President Mikhail Gorbachev and others, he launched the Nuclear Weapon Elimination Initiative. From this initial blueprint sprang the Global Security Institute. As its president, Senator Cranston and GSI are committed to educating the people of the world and their leaders about the enormous threats posed by nuclear weapons.

It is for his work with GSI, and indeed his literal lifetime of commitment to global peace, that Senator Cranston so richly deserves the W. Averell Harriman Award. Few men or women have done so much to secure a safe future for all the people of the world.●

RETIREMENT OF ROBERT DONOVAN

● Mr. DODD. Mr. President, it is with great pleasure that I rise today to recognize the 33 years of dedicated government service of Mr. Robert Donovan of Connecticut. His retirement from the Department of Housing and Urban Development on February 3, 2000 marks the end of a distinguished and highly esteemed career in public service.

In September of 1968, Mr. Donovan began his career with the Department of Housing and Urban Development as a Housing Intern in the Philadelphia Office. Two years later he moved to Hartford, Connecticut to become an Urban Renewal Representative. Over the next thirty years Mr. Donovan's dedication and commitment guided him through various roles within the Department, such as the Director of the Housing Management Division and the Director of the Multifamily Housing Division. He retired as a member of the leadership team of the Connecticut Multifamily Program Center.

For the better part of his adult life, Bob worked on behalf of countless Connecticut families. He believed that a safe, affordable home should be attainable for those who are committed to working for it. A home is more than just bricks and boards, it represents an opportunity for betterment and is the foundation for success. Bob's efforts day in and day out made that opportunity a possibility for Connecticut's citizens.

In each role that he assumed, be it representative or director, Bob remained responsive to the people he served. As a result, Bob has received a number of performance awards and accolades throughout his HUD career. He

has displayed a talent for leadership and a strong dedication to service—qualities that will be missed now that he embarks upon the next chapter of his life.

It is my pleasure to add my voice to the many others who have recognized Bob's contribution to the Connecticut community. On behalf of the people of Connecticut, I am proud to thank Bob for thirty-three years of devoted service and I wish him well in his future endeavors.●

WTO APPELLATE DECISION ON FOREIGN SALES CORPORATIONS

● Mr. BAUCUS. Mr. President, I rise today to address a very serious development in foreign trade. It is a development which hurts American interests. It has been brewing for quite some time, and it finally came to a head last week in Geneva. A World Trade Organization (WTO) appeals panel ruled against us in a case the European Union brought against American tax law.

The ruling was not a complete surprise. A few months ago, the WTO ruled that our laws for Foreign Sales Corporations, usually known as FSC's, are illegal export subsidies. We appealed that decision. We lost the appeal. The WTO said that we have until October 1 of this year to come into compliance with the ruling.

Why is the WTO dealing with this case to begin with? Why isn't it sticking to its mandate, which is international trade, and stay out of tax matters?

The EU brought this case to the WTO 2 years ago. In doing so, Europe broke an agreement with us that dates back to 1981. Congress passed the FSC in 1984. I remember very well all the work that we put into crafting the rules to place U.S. exports on a more equal footing with European competition. In crafting the rules, we relied on that 1981 understanding with the EU. It confirmed that foreign source income need not be taxed, and that failing to tax such income is not a subsidy. European exporters are not taxed on such income, and they enjoy value added tax rebates on exports as well.

This case is just another step in a European Union campaign which undermines the world trading system.

We saw it very clearly last year in the run-up to the Seattle ministerial. EU leaders tried in every way they could to avoid coming to the table to talk seriously about their number one problem: agriculture.

First, they started a public relations campaign to downplay expectations. In a number of meetings, they hinted that the Seattle talks would probably fail. Second, they tried to overload the negotiating agenda. They wanted to turn the trade talks into such a complex undertaking that we would never get to the real problem: EU agriculture. Third, they stalled in Geneva, so there wasn't any agreement on the scope of

agriculture talks in Seattle. In 1995, they agreed to start agriculture talks in January 2000. But they wanted to put off getting down to business for as long as possible.

They are still trying to put it off. Putting it off hurts American farmers and agro-business. Putting it off hurts developing countries. Putting it off even hurts Europe itself in the long term. It just undermines confidence in the world trading system.

This FSC case makes things worse. Let's be very clear on what's going on here. We can set aside the European rhetoric about "respecting international obligations" in tax policy. That's not what this case is about. If the EU were serious about "respect for international obligations," it would take a close look at the tax policies of its members. This case is not about respecting international obligations.

This case is not about tax policy. If the EU were seriously concerned about the trade effects of tax policy, it wouldn't file a case in the World Trade Organization. That's no way to fix an international tax problem. Instead, it would seek multi-party talks in an organization like the OECD or the UN. But the EU doesn't really care about tax policy in this case.

This case is not even about money. The EU has no real commercial interest at stake here. They haven't demonstrated any appreciable adverse impact on European companies from US tax laws. In fact, a number of European companies benefit from FSC! They have domestic subsidiaries in the United States, and these subsidiaries have set up Foreign Sales Corporations.

So what is this case about? It's about revenge. Pure, simple revenge. The Eurocrats want revenge for losing WTO disputes with the United States over bananas and beef. That's an open secret. Everyone knows where this case came from. It didn't come from European manufacturers facing unfair competition from US firms because of FSC. It didn't come from European banks. Or from European consumers. Or from European farmers. It didn't come from the members states. It came from EU bureaucrats, the gnomes of Brussels.

They were angry over losing the beef and banana disputes with the United States. The cases were long and hard. They took years. The EU fought us all the way. They lost at every turn, because we were in the right. When they refused to correct their illegal policies, the WTO authorized us to retaliate legally. And we did.

For revenge, the Eurocrats wanted to poke us in the eye, and show us that they could hurt us. So they took this case, which had been sitting on their shelf for years. They dusted it off and sent it to the WTO, despite our 1981 agreement with them on tax policy.

Well, they're playing with fire. Using the WTO as an instrument of revenge is dangerous for them, and dangerous for us. The WTO is a five-year old child. Its