

September 25, 2000

## EXTENSIONS OF REMARKS

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a policy in the short term must include taking heed to bi-partisan calls for a release of the Strategic Petroleum Reserve to mitigate the outrageous and prohibitive cost of oil. Additionally, the Administration must meet bi-laterally with representatives of OPEC member nations, and tell them to end this crisis—and to do it now!

Mr. Speaker, I submit into the RECORD the two recent letters that I sent to President Clinton regarding OPEC and the oil crisis:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, September 8, 2000.

President WILLIAM J. CLINTON,  
The White House, Washington, DC.

DEAR MR. PRESIDENT: Our country is suffering from a severe energy crisis, and the American people are being held hostage by OPEC. The price of crude oil contracts at \$34.90 per barrel are now the highest they have been in a decade. As reported on the front page of the Washington Post (9/7/00), the Department of Energy's Energy Information Administration (EIA) reports that total U.S. crude oil reserves are at a 24-year low, while there is a 30 percent projected rise in home heating oil prices this winter over last year's high prices. This will further strangle our hard-working American families already suffering from exorbitant fuel and oil prices.

The United States imports 55 percent of its crude oil. OPEC produces 40 percent of the world's oil supply, placing the United States in a precarious position of relying on foreign powers to fulfill our crude oil requirements. Many of these oil producing nations are "states of concern" and have national interests that run counter to our own. In a recent publication of the Clean Fuels Development Coalition, former director of the Central Intelligence Agency, R. James Woolsey believes that our dependence of foreign oil is one of the three major threats to the national security of the United States.

By September 8, 2000, it will be 20 days that oil prices are above \$28 per barrel and will trigger OPEC's price band mechanism. This mechanism mandates that OPEC produce an additional 500,000 barrels per day. Regrettably, this additional production will do little to reduce, and contribute to stabilizing crude oil prices. In fact, in its Short-Term Energy Outlook, the EIA projects that imported crude oil will remain above \$28 per barrel for the remainder of the year. Even if OPEC agrees to increase its production at its meeting on September 10th, the EIA reports that "only Saudi Arabia, Kuwait, and, to a lesser degree, the United Arab Emirates will have significant capacity to expand production." Analysts report that if OPEC increases total production by one-million barrels per day, the oil would not be available to consumers until mid-November, 2000, and will do little to prevent further spikes in imported oil prices this year.

Mr. President, while you have expressed concern and encouraged OPEC to raise output at the United Nations Millennium Summit, I urge you to use the full powers and resources of your office to mitigate this crisis with the OPEC 10 before its meeting on September 10, 2000. Thank you for your urgent attention to this matter of grave concern to the people of our country and to the national security of the United States.

Sincerely,

BENJAMIN A. GILMAN,  
Member of Congress.

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, September 13, 2000.  
President WILLIAM J. CLINTON,  
The White House, Washington, DC.

DEAR MR. PRESIDENT: Following OPEC's meeting on September 10th, the cartel announced that it would increase production of crude oil by an additional 800,000 barrels per day. This increase in production was to reduce the price of crude oil which has been at near record prices of \$34 dollars per barrel, which OPEC members freely admits is too high. This raise constitutes an increase of 3 percent. Regrettably, this increase is simply not enough to bring down the price of crude oil. OPEC needs to undertake aggressive measures to bring down the price of oil, and an increase in production of 3 percent is not enough—not enough by half!

OPEC is aware of the gravity of the situation, as evidenced by OPEC President and Venezuela's oil minister Ali Rodriguez' statement, "[that] we are approaching a crisis of great proportions because oil production capacity is reaching its limit." In the midst of this crisis, OPEC's increase will not even go into effect until October 1st. OPEC agreed to meet again on November 12th to reassess "market conditions," with full knowledge that its increase was a trivial gesture towards reducing prices of imported crude oil. As reported in The New York Times (9/12/00), heating oil is at record levels, its highest price in a decade—now 51 percent higher than the average for last fall and winter. Some analysts believe that imported crude oil may further spike at \$40 dollars per barrel. Conservatively, it will take a minimum of 6 weeks to ship the increased oil to the United States and another week to 10 days to refine it. Mr. President, we are looking at early December before the oil (and its by-products) will be available to consumers. In real terms, OPEC's increase is too little, too late to alleviate the astronomical and nearly prohibitive cost of home heating oil that confronts the hard working people of our country.

Parts of Europe are in a state of paralysis over this crisis, and in England, Prime Minister Blair authorized the use of the military to quell protesters. In our own country Mr. President, this crisis is grave enough that there are calls to release oil from the Strategic Petroleum Reserve (SPR) which is maintained for use during wartime and national emergencies. This crisis comes at a time when total U.S. reserves are at a 24-year low of 1.53 million barrels from 1.63 a year ago according to the Department of Energy's Energy Information Agency (EIA).

Mr. President, this grave crisis calls for strong measures in dealing with OPEC, and therefore it is imperative that you use the full powers and resources of your office in showing OPEC that its good faith gesture, is not good enough for the people of our country. Mr. President, I will welcome any plans that the Administration is developing to resolve this oil crisis, and I thank you for your urgent attention to this matter.

Sincerely,

BENJAMIN A. GILMAN,  
Member of Congress.

TRIBUTE TO SENATOR DANIEL  
PATRICK MOYNIHAN

SPEECH OF

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 2000

Ms. VELÁZQUEZ. Mr. Speaker, I rise today in tribute to the great senior Senator from New York, DANIEL PATRICK MOYNIHAN. Although words can not do justice to his many contributions over his decades of public service, I wish to offer my thanks for everything he has done on behalf of the people of New York State and the entire nation.

Senator MOYNIHAN gave truth to the cliché of being a gentleman and a scholar. After receiving his bachelor's degree (cum laude) from Tufts University, he studied as a Fulbright Scholar at the London School of Economics. He then returned to the states and completed his studies at Tufts University's Fletcher School of Law and Diplomacy, where he received his M.A. and Ph.D. Before coming to the Senate, he served as a valued member of four consecutive administrations, starting with the Kennedy Administration and serving through the Johnson, Nixon, and Ford Administrations, holding various positions within the Department of Labor. His lifelong dedication to public service was only enhanced by his time in the private sector when he was a Professor of Government at Harvard University in the mid sixties. He served the Nixon and Ford Administrations as U.S. Ambassador to India from 1973 to 1975 and U.S. Representative to the United Nations from 1975 to 1976.

Born and raised in New York City, Senator MOYNIHAN decided to pursue elected office. Upon leaving his position at the United Nations, he was elected U.S. Senator from New York in 1976. His many accomplishments in that office have been well documented. He has served as a strong advocate for welfare reform by promoting the creation of opportunities to increase self-sufficiency, while also maintaining a strong safety net. He has fought to preserve social security and modernize our nation's transportation system, just to name a few.

However, a listing of his legislative accomplishments can not do justice to many of the crucial and intangible qualities he brought to the Congress. Throughout his career, Senator MOYNIHAN's high ideals and great dignity have served as an exemplary model for his colleagues, constituents, neighbors and friends. In a time of increasing partisanship, his wisdom is recognized and sought across party lines. He stands firm for what is right, despite the ever changing political winds. His graciousness and his steadfast reliance on his principals have been an inspiration to all of us who are lucky enough to know him.

New York State, and the entire nation, are better because of his public service. He will be greatly missed, but I hope that he will continue to serve as a voice for the people of the country and a conscience for those of us who represent them.