July 19, 2001

EXECUTIVE SESSION

NOMINATION OF JOHN D. GRAHAM, OF MASSACHUSETTS, TO BE ADMINISTRATOR OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS

The PRESIDING OFFICER. The Senate will now proceed to executive session. Under the previous order, the question occurs on agreeing to the nomination of John D. Graham of Massachusetts to be Administrator of the Office of Information and Regulatory Affairs.

Mr. THOMPSON. Mr. President, 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.

Mr. DURBIN. Mr. President, point of clarification. Under the unanimous consent request, Senator THOMPSON and I each have a minute before the vote; is that correct?

The PRESIDING OFFICER. The Senator is correct.

The Senator from Tennessee is recognized.

Mr. DURBIN. Mr. President, John Graham has had a distinguished career. He has been head of the Harvard Center for Risk Analysis for the last 15 years and has been called the “best-qualified person” who has come down the road for this position by Bob Leiken of the Brookings Institution.

Some people don’t like scientific facts that don’t comport with their ideology, even if it is supported in the scientific community. He has been criticized, he has had selected excerpts taken from his works, and he has been unfairly characterized.

They have taken complex scientific issues and even though they might be counterintuitive for many of us, they are supported by the scientific community.

Mr. President, the merging of scientific analysis and the political process sometimes is not a pretty picture; and this one has not been either. But I suggest there have been a lot of people asleep on the job and very negligent if this gentleman is not qualified and has really adhered to some of the views attributed to him.

Leaders of public policy in this country: scientists, academics, Democrats and Republicans, the last two Democrats who have held this position, support this man. I suggest a strong vote for him is merited, and I sincerely urge that. I yield the floor.

Mr. DURBIN. Mr. President, if my colleagues followed the debate this evening, they know John Graham’s views on science really are not in the mainstream by any stretch. He has made statements that pesticide residues on fruits and vegetables are not a public health safety and environmental protection.

We can do better in America. President Bush can do better. I urge my colleagues to join Senators LIEBERMAN, KERRY, and myself in opposing this nomination.

The PRESIDING OFFICER. All time is yielded back. The question is, Will the Senate advise and consent to the nomination of John D. Graham, of Massachusetts, to be Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget?

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware (Mr. BIDEN) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. FRIST) and the Senator from North Carolina (Mr. HELMS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yea 88, nay 9, as follows:

[Roll Call Vote No. 241 Leg.]

YEAS—88

YEAS—61

Division of the Sergeant of Arms. It is my understanding that some of this increase will be used for other purposes. Therefore, I ask the chairman and ranking member what portion of these increases will be used for the upgrade of the e-mail system?

Mr. DURBIN. The bill includes $1.8 million for the maintenance and support of the new e-mail system that is to be implemented beginning in January 2002. In addition, there is $6 million available in the current fiscal year that will be used for the rollout of the new system, including the necessary hardware and software.

Mr. BENNETT. The Senator from Illinois is correct, and I support the funding for the replacement of the cc:mail system.

Mr. NICKLES. I thank the Chairman and Ranking Member for their commitment to the upgrade. After two years of delays, I urge them to monitor the Sergeant of Arms to see that the system is upgraded as expeditiously as possible.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the second time.

The PRESIDING OFFICER. The bill having been read the second time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Delaware (Mr. BIDEN) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. FRIST) and the Senator from North Carolina (Mr. HELMS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yea 88, nay 9, as follows:

[Roll Call Vote No. 241 Ex.]
Right now we are in an economic slowdown. The evidence was there last September. But Chairman Greenspan and the Federal Reserve did not act in September.

They did not act in October.

They did not act in November.

They did not act in December.

They did finally act in January.

Since then, the Fed, to its credit, has continued to move the federal funds rate, cutting it 6 times. But the damage has already been done.

What concerns me about Dr. Ferguson is the response he gave to me in the Banking Committee when I asked him this question: “Hindsight being 20/20, do you think the Fed waited too long to reduce the target federal funds rate?”

Dr. Ferguson’s response was: “No, sir. Even with 20/20 hindsight, I do not believe that to be the case.”

Mr. President, I simply can’t understand that answer. Knowing what we know now, it just doesn’t make sense.

During that time last year, practically every single economic indicator was headed straight down.

The markets, especially the NASDAQ were dropping, causing wealth to be taken out of the economy. Corporations were announcing layoffs, not just dot-coms, but companies like GE.

The index of leading economic indicators started to fall. And consumer confidence started dropping. And GDP slowed markedly.

Anyone I’ve talked to since then, now says that, looking back, it’s pretty clear that the Fed was slow at the switch in recognizing and reacting to the warning signs.

Six rate cuts this year is clear evidence of this. That’s the most in such a short period of time in decades, and shows just how precarious a position our economy was in.

We’re still having trouble turning the corner, and even now there are warning signs that our economic slowdown is causing a ripple effect around the globe.

Who knows what would have happened if the Fed had cut rates sooner. If Dr. Ferguson is confirmed, I’m afraid we probably never will.

That truly worries me.

I am afraid that he is looking over his shoulder already, and is concerned about how the Fed Chairman is going to react to his remarks.

I think Dr. Ferguson was afraid to criticize the chairman and to upset the apple cart.

But I believe that we need strong, independent Fed Governors who are willing to challenge the status quo and to make the hard call.

I am afraid that Dr. Ferguson does not fit this bill.

We do not need Alan Greenspan clones who will never question the chairman, who will never take the contrary view.

What we need are Fed nominees who will be independent. We need nominees who will stand up to the chairman if they believe he is wrong.

I do not believe Dr. Ferguson will assert that independence. I believe his answer to my question in the Banking Committee proves that.

For this reason, I reluctantly vote “no” on the nomination of Dr. Roger Ferguson, to a 14-year term as a member of the Board of Governors of the Federal Reserve.

The PRESIDING OFFICER. All time has been yielded back.

Mr. BREAUX. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is, Will the Senate advise and consent to the nomination of Roger Walter Ferguson, Jr., to be a Member of the Board of Governors of the Federal Reserve System? On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. NICKLES, I announce that the Senator from North Carolina (Mr. HELMS) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote No. 243 Exec.]

YEAS—97

Akaka Durbin McCain
Allard Edwards Mikulski
Allen Ensign Miller
Baucus Emsi Murkowski
Baucus Feinstein Murray
Biden Fitzgerald Nelson (FL)
Bingaman Fitzgerald Nelson (NE)
Blumenthal Gramm Nickles
Booher Gramm Nickles
Brownback Gregg Nickles
Burns Hagel Nickles
Campbell Harkin Nickles
Campbell Hatch Nickles
Cantwell Hollings Nickles
Carnahan Huffman Nickles
Carper Hutchinson Nickles
Chafee Inhofe Nickles
Cleland Inouye Nickles
Clinton Johnson Nickles
Conrad Jeffords Nickles
Collins Kennedy Nickles
Conrad Kerry Nickles
Corzine Kohl Nickles
Craio Landrieu Nickles
Crapo Landrieu Nickles
Daschle Levin Nickles
Dayton Lieberman Nickles
DeWine Lincoln Nickles
Domenici Lott Nickles
Dorgan Lugar Nickles
NOT VOTING—2

Bunning McConnell
Dodd NAY—2

The nomination was confirmed.