

to a referendum in January 1999. In August that year, the people of East Timor voted overwhelmingly in favor of independence from Indonesia, and they did so at great personal risk. Before, during and after the vote, the Indonesian military and anti-independence militia groups killed more than a thousand people and displaced thousands more, hoping to intimidate the independence movement.

Although the militias succeeded in destroying 70 percent of East Timor's infrastructure, they failed to derail East Timor's desire for freedom.

On August 30 this year, looking to America as an example, East Timor will elect a constituent assembly to decide which form of democratic government to adopt.

It is a process that reminds us of our own Constitutional Convention and would make our founders proud. A few months after that, East Timor, which is currently governed by the United Nations, will formally declare its independence. After years of hardship, violence and death, a new democracy will take its rightful place in the world. The new nation is a great success story, but it is far from complete.

East Timor is rebuilding itself from ashes following 24 years of Indonesian rule, and it needs international assistance. It remains one of the poorest countries in Asia. The annual per capita gross national product is \$340. As many as 100,000 East Timorese refugees languish in militia-controlled refugee camps in West Timor, which is still part of Indonesia and where there has been a sharply reduced international presence since militias murdered three U.N. workers last September.

In the aftermath of the violence in East Timor, the United States has provided important humanitarian aid and assistance for nation-building. But our assistance has been provided on an ad hoc basis. We have made no commitment to a longterm political investment in a newly independent East Timor, and we should do so.

We should leave no doubt in the minds of any government officials in Indonesia that the United States will recognize and support the new nation of East Timor.

To advance this objective, I, along with Sen. Chafee, have introduced legislation in the Senate to facilitate East Timor's transition to independence.

Reps. Tom Lantos and Chris Smith have introduced similar legislation in the House of Representatives. Its purpose is to lay the groundwork for establishing a strong relationship with East Timor, including a bilateral and multilateral assistance program. Our legislation encourages President Bush, the Overseas Private Investment Corporation, the Trade and Development Agency and other U.S. agencies to put in place now the tools and programs necessary to create a reliable trade and investment relationship with East Timor.

It provides a three-year commitment of \$30 million in U.S. assistance, including \$2 million for a Peace Corps presence and \$1 million for a scholarship fund for East Timorese students to study in the United States, and supports economic assistance through international financial institutions.

To help professionalize the army, it authorizes the president to provide excess defense materials and international military education and training, if the president certifies that doing so is in the interest of the United States and will help promote human rights in East Timor and the professionalization of East Timor's armed

forces. Our bill also supports efforts to ensure justice and accountability for past atrocities in East Timor.

The bill specifically calls on the State Department to establish diplomatic relations with East Timor as soon as independence takes place. It took President Truman 10 minutes to establish diplomatic relations with Israel in 1948. President Bush should be able to do the same with East Timor in 2001.

The people of East Timor have chosen democracy, and the United States has a golden opportunity to help them create their new democracy. We must prepare for that day now. The great faith in the democratic process they showed by voting for independence under the barrel of a gun must not go unrewarded.

We should put U.S. governmental programs and resources in place now to prepare for the reality of an independent East Timor. If we wait until East Timor declares its independence before we do the preliminary work, we will lose vital time and do a disservice to both the United States and East Timor. We must not miss this unique opportunity to help.

MIDDLE EAST VIOLENCE

Mr. SMITH of New Hampshire. Mr. President, on May 18th, yet another grave terrorist attack occurred in Netanya, the fifth such attack this year. Six Israelis were killed and over one hundred wounded in the bombing.

The target of the attack was innocent civilians, targeted solely because they were Israelis. The recent bludgeoning to death of 14-year old Jewish boys in a cave demonstrates a new level of barbarism and inhumanity.

The Palestinian Authority is obligated, according to agreements it concluded with the State of Israel, to prevent terrorism and to cease incitement in the areas under its jurisdiction.

Regrettably, the Palestinian Authority has abandoned its obligations and is committing acts of terrorism and inciting violence against Israelis, both in Palestinian controlled media and in the curriculum taught to its school-age children. With such hatred and venom spewed by Palestinian Government organs, it is hard to imagine there is any true desire for peace, rather, there appears to be a deliberate attempt to destroy any foundation for peace that is necessary among the Palestinian people.

The Israeli Government has made a renewal of peace negotiations with the Palestinians its foremost goal. But negotiations cannot take place until there is a cessation of the violence.

The Government of Israel has repeated its desire to move forward in accordance with the four phases detailed in the recent report of the Mitchell Fact Finding Committee:

A. A complete cessation of violence; B. A substantial cooling-off period, accompanied by confidence building measures—together with proof on the part of the PA that it intends to maintain the calm (arresting terrorists, ending incitement, etc.); C. The imple-

mentation of signed agreements; D. The conduct of negotiations on all outstanding issues.

As Secretary Powell and the U.S. State Department prepare to re-enter the difficult world of Israeli-Palestinian negotiations, we can make a few observations about the recent brutality and violence by the PA.

First, the attack puts the lie to the claim that Palestinian violence is directed against so-called Israeli "occupation."

Second, we can question the effectiveness of peace negotiations with a group that embraces terrorism—and which belies the U.S. policy, that is, policy for the United States, that we do not negotiate with terrorists, while the Palestinian Authority was removed from the annual U.S. list of terrorists, it continues to commit acts of terrorism and we have helped to reinvent the PA as a "negotiating partner" for the Israelis. This looks hypocritical, dishonest and unrealistic.

Secretary Powell and the Department of State have an enormous undertaking in trying to find common ground between Israelis and Palestinians. The conflict appears intractable, and peace, despite decades of efforts, remains elusive. Yet we can only keep trying—trying to stop the bloodshed that seems synonymous with the Middle East and trying to seek stability in such an important and strategic part of the world.

THE SUPREME COURT'S DECISION IN ALEXANDER v. SANDOVAL

Mr. LEAHY. Mr. President, there are a great many important policy issues that divide Democrats and Republicans. When we find certain common sense principles that we agree on, however, we should seize the opportunity and act on them.

I believe that we have such an opportunity today. On April 24, 2001, the Supreme Court issued its latest in the never-ending sequence of 5-to-4 "State's rights" decisions, *Alexander v. Sandoval*. I rise to urge my colleagues to reaffirm our shared values by passing legislation to reverse the Court's decision in this case. By doing so, we can reinstate what was always Congress's intent, and reaffirm our nation's commitment to civil rights for all Americans. Let me explain.

Let's start with the principle of cooperative federalism. Every year, we in Congress send billions of Federal taxpayer dollars to the States to help fund education systems, health care, motor vehicle departments, law enforcement and other government services that every American is entitled to enjoy, no matter which State he or she lives in.

That is the essence of federalism: helping to fund the States to perform government functions that are best performed at the local level. It is not Republican, and it is not Democratic; it is common sense.

The Federal Government and Federal taxpayers count on the States to use those Federal funds in a lawful manner, and most everyone would agree that the States should be accountable for doing so. President Bush has made accountability the central guiding principle of his education proposals. We have some immensely important differences of view on how to achieve accountability. But we should not lose sight of what unites us.

Republicans believe in accountability, and so do Democrats. We here in Washington owe the American people a duty, when we send their tax dollars to State and local authorities, to ensure that the people get a chance to hold those authorities accountable for using their money for the public good, for the benefit of all the people, and in accordance with the law of the land. That is not politics; it is common sense.

What has all this got to do with the Supreme Court? Well, 37-years ago, Congress enacted perhaps the most important piece of legislation of the post-war era, the Civil Rights Act of 1964. Title VI of the Civil Rights Act is an accountability provision pure and simple. It prohibits discrimination on the basis of race, color, or national origin, in any program or activity that receives Federal funds.

The Congress that passed the Civil Rights Act was committed to full and strong enforcement of civil rights. It recognized that discrimination comes in many forms. Governmental practices may be intentionally discriminatory or, more commonly, they may be discriminatory in their effect, because they have a disparate or discriminatory impact on minorities. To catch this more subtle but no less harmful form of discrimination, Congress authorized the Federal agencies that were responsible for awarding federal grants and administering federal contracts to adopt regulations prohibiting Federal grantees and contractees from adopting policies that have the effect of discriminating.

There has never been any serious question about Congress's intent in this matter. Before Sandoval, the Federal Courts of Appeals had uniformly affirmed the right of private individuals to bring civil suits to enforce the disparate-impact regulations promulgated under Title VI. The Supreme Court itself, in a 1979 case called *Cannon v. University of Chicago*, had concluded that Title VI authorized an implied right of action for victims of race, color, or national origin discrimination. And as Justice Stevens noted in his dissenting opinion in Sandoval,

the plaintiff in *Cannon* had stated a disparate-impact claim, not a claim of intentional discrimination.

I will not attempt in these brief remarks to go over all the reasons why Sandoval was incorrectly decided as a matter of Supreme Court precedent. Justice Stevens does an excellent job in his dissent of demonstrating how the activist conservatives on the Court rejected decades of settled laws.

I will say this: The holding in Sandoval makes no sense as a matter of national policy. The lower courts in Sandoval found that the defendant, the Alabama Department of Public Safety, was engaged in a discriminatory practice in violation of Federal regulations. The Supreme Court did not challenge that finding, and also accepted that the regulations at issue were valid. Yet the Court's conservative majority held that the victims of the discrimination had no right to sue to enforce the Federal regulations. You do not have to be liberal, and you do not have to be conservative, to be troubled by the notion that a State can engage in unlawful discrimination and yet not be accountable in any court.

The good news is that the Sandoval holding is based on statutory interpretation and not constitutional law. The Congress is therefore free to overturn it, and we should do so at the very first opportunity. By doing so, we will fully preserve what I have called cooperative federalism. We will continue to provide funding assistance to the States. At the same time, we will prove that we are serious about the right of the American people to hold their government accountable in the most basic sense, accountable for obeying the law. And we will prove that we are as serious about the civil rights of minorities as the groundbreaking Congress that passed the Civil Rights Act of 1964.

Fixing what the Court has broken should be a bipartisan undertaking. This is not about being a Republican or a Democrat; it is about reaffirming the will of the people as expressed by the Congress, reaffirming that the American people are entitled to have a government that is accountable, and reaffirming that in America, discrimination is not acceptable, whether it is done openly and crassly, or more invisibly and subtly. The unfair effects are the same and deserve redress.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY last month. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a heinous crime that occurred April 25, 2000 in

Germantown, MD. According to the victim, she and her partner and their 11-year-old daughter have been the victims of repeated anti-gay slurs. The victims have had rocks and other items thrown at their home because they are gay and some neighbors "wanted us out of the neighborhood." The incident in question occurred after a verbal altercation between the victim's child and the perpetrator's child, culminating in the victim's attack by the perpetrator. When police arrived on the scene, the victim was lying on the ground; her hand was bleeding; she had been kicked repeatedly in the head by the perpetrator and his 12-year-old son (while the son was allegedly yelling, "I'm going to kill you, dyke b---h."); her face was swollen; she had footprints on her shirt; and marks on her neck and chest which required overnight hospitalization. Despite this, the police did not handle the incident as a hate crime and said that it was against their regulations to arrest the perpetrator because they had not witnessed the attack.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

KIRK O'DONNELL MEMORIAL LECTURE

Mr. HOLLINGS. Mr. President, I had the pleasure of attending the Kirk O'Donnell Memorial Lecture on American Politics last month to hear our distinguished former colleague, Daniel Patrick Moynihan. No one worked harder on public policy or served with a more distinguished record than he. His lecture offered an enlightening perspective on current discussions about Social Security and I ask unanimous consent that it be reprinted in the RECORD.

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

A THRIFT SAVINGS COMPONENT FOR SOCIAL SECURITY: BIPARTISANSHIP BECKONS

(By Daniel Patrick Moynihan)

I have entitled this lecture "A Thrift Savings Component for Social Security: Bipartisanship Beckons." I have done so not without a measure of unease. For it was our own Kirk O'Donnell who famously declared Social Security to be "the third rail of politics." But then Kirk was ever one to take a dare. And I would note that the third rail was first installed on the I.R.T. subway in Manhattan, the Big Dig of its day, which Charles Francis Murphy had built as a favor for a friend.

But allow me a brief explanation for such reckless abandon at a time in life when serenity ought properly be one's object.

The end of the cold war did it!