I rise in support of

Senator SPECTER’s resolution which

calls for the establishment of a war

crimes tribunal to bring Saddam Hussein

to justice. I agree that it is justifiable

that Saddam Hussein be prosecuted

as an international war criminal,

thereby removing him from power.

Such an action would eliminate the

problem facing the United States and a

good part of the free world today.

Certainly with his systematic action

to destroy the population of the civilian

Kurds in Iraq through the use of

chemical weapons in 1988, his war of

aggression against Kuwait in 1990, his

missile attacks on Israel in 1991, and

his involvement in the attempt to assassinate

former President Bush in

1993, there is no doubt in my mind that

there is sufficient evidence to pursue

him as a war criminal.

Mr. President, I think this resolution

is only one of the policies that this administration

should pursue to shut

down Iraq’s terrorist regime. I propose

one more, one that I raised earlier in

this body this week. I think we must go

back to the original purpose of the economic

sanctions against Iraq and shut

down Saddam Hussein’s ability to fund

his programs for weapons of mass destruction.

In other words, Mr. President, cut off

his cash flow, which comes from illegal

oil sales. Mr. President, this is the only

way we can bring Saddam to his knees.

We must effectively cut off the flow of

oil from Iraq.

I would like to share a few facts that

my colleagues may not be aware of but

that are critical to the issue of how

Saddam Hussein maintains his current

grip on power.

Revenue from oil exports have historically

represented nearly all of

Iraq’s foreign exchange earnings. In the

year preceding Operation Desert

Storm, Iraq’s export earnings totaled

$10.4 billion, with 95 percent of that attributed

to petroleum exports. So

make no mistake about where the revenue

comes from. It comes from his oil.

Iraq’s imports during the same year,

1990, totaled only $6.6 billion.

U.N. Security Council Resolution 687,

passed in 1991 at the end of the Gulf

war, requires that international economic

sanctions, including an embargo

on the sale of oil from Iraq, remain in

place until—I emphasize ‘‘until’’—Iraq

discloses and destroys its weapons of

mass destruction programs and capabilities

and undertakes unconditionally

never to resume such activities.

Well, where are we? The teeth in Resolution

687 have effectively been removed

with the expansion of the so called

oil-for-food exception to the

sanctions. The first loosening of the

sanctions occurred in 1995 when Security

Council Resolution 986 allowed

Iraq to export $1 billion in oil every 90

days, which is $4 billion over a year.

Most recently, during the period

when Saddam was again violating Security

Council resolutions by refusing

to allow international inspectors to

conduct their work, the United Nations

voted to more than double the amount

of oil Iraq can export next year.

On February 20, the U.N. Security

Council, with the Clinton administration’s

support, adopted Resolution 1153,

which will allow Iraq to export $10.52

billion in oil sales per year. That is

$5.256 billion every 6 months. In other

words, Iraq is now authorized to export

nearly as much oil, in today’s dollars,

as it did before it invaded Kuwait.

So what are we doing, Mr. President?

We are obviously increasing Saddam

Hussein’s ability to generate a greater

cash flow to fund his purposes, that are

certainly suspect, to say the least.

The question is, Will the United

States force Iraq to wait to rebuild its

oil production capability until it meets

the conditions imposed at the end of

the Gulf war? We clearly have that answer:

It is quite the contrary. In fact,

paragraph 12 of Resolution 1153 directs

the Secretary General to establish a

group of experts to determine whether

Iraq has the production and transportation

capacity to export the full

amount allowed. Well, the resolution

goes on to say that the Security Council

‘‘expresses its readiness’’ to authorize

‘‘the export of necessary equipment

to enable Iraq to increase the export of

petroleum or petroleum products.’’

Clearly, we are giving him the green

light to increase his production capabilities.

Nowhere does the resolution mention

the potential arms control problems

presented by allowing Iraq to resume

the import of petroleum equipment,

some of which is dual-use and some of

which can easily be disguised.

We witnessed his efforts in the early

1980s to disguise shipments into Iraq

that, at that time, were explained to

the United States as ‘‘parts for his refineries,’’

when in fact they turned out

to be parts for his huge cannon or pipe

gun.

Even as President Clinton vowed to

‘‘keep the sanctions on’’ Iraq until the

regime lives up to most of its commitments,

we are obviously creating a

giant loophole for Iraq’s most important

commodity—and that is oil—to

find its way out into the markets of

the world.

Mr. President, I recommend to my

colleagues an excellent analysis of the

problems with the expansion of the oil

program by Patrick Clawson, which

came out of the Washington Institute

for Near East Policy, entitled ‘‘Oil for

Food Or the End of Sanctions.’’ I ask

unanimous consent that the text of

this article be printed in the RECORD at

the conclusion of my remarks.

Further, it should

be noted that using this program to

feed his people and to provide medicine

frees up other resources that can be

used to finance his factories of death.

Moreover, the increase in illegal

sales of petroleum products coincided

with implementation of the oil-for-food

program in 1995. Part of this oil is moving

via truck across the Turkey-Iraq

border. A more significant amount is

moving by sea vessel through the Persian

Gulf. Exports of contraband Iraqi

oil through the Gulf have jumped

seven-fold in the past year, from $10

million in diesel fuel sales in 1996 to $75

million in 1997. Furthermore, Iraq has

been steadily increasing exports of oil

to Jordan, from 60,000 barrels per day

at the end of Operation Desert Storm

to an expected 96,000 barrels per day

this year. An ABC News report in December

of 1997 cited the Center for

Global Energy Studies’ estimate that

Saddam Hussein was generating $300

million to $400 million a year from contraband

oil sales.

Mr. President, I have absolutely no

doubt that allowing Saddam to increase

his oil production under the new

resolution means that contraband oil

exports will increase proportionately.

It is this illegal flow of oil that is the

lifeline that keeps his Republican

Guards well fed and his weapons of

mass destruction program on track.

Finally, Mr. President, Resolution

1153 does more than address humanitarian

imports; it finances almost the

full range of imports that Iraq would

make were it not under the sanctions.

The resolution provides for infrastructure

improvements, such as sewers and

electricity—all activities that would

normally be undertaken by the Iraqi

Government.

I have a few theories about the motivation

of the interested parties. From

the standpoint of the Clinton administration,

this may have been viewed as

a counterbalance to the call for military

action. I think it was certainly

counterproductive. But in any event,

that was their decision.

But for the other members of the Security

Council, particularly those who

oppose the use of military force—Russia,

France, and China—the motivation

is clear. The motivation is economic.

As a recent Wall Street Journal article

observed:

Russia’s heavy industry would also

benefit by supplying oil equipment,

such as platforms and rigs, to Iraq, as

would Russian arms makers. Of course,

some Russian companies have not

waited for the end of the sanctions.

Iraq obtained several Russian gyroscopes

used for aiming Scuds back in

1995. We know that. And just last week,

U.N. inspectors accused Russia of selling

Iraq huge steel drums that can be

used to produce biological warfare

agents.

I should note that both China and

France have similar conflicts of interest

in that their close economic ties to

Iraq and their desire for Iraqi oil have

made them hard set against any military

action.

With the United Nations having now

negotiated a deal with Saddam Hussein

that appears, in the short term at

least, to have sidetracked military options,

and with members of the Security

Council actively working to let

Saddam off the hook, what can the

United States do unilaterally to advance

our national security interests?

I am pleased to announce that Senator

HELMS and the Foreign Relations

Committee and, in my capacity as

chairman of the Energy and Natural

Resources Committee, will be holding

hearings on this matter in the very

near future. Our Committees will look

specifically at enforcement and monitoring

of the oil-for-food program, the

flow of contraband oil out of Iraq, the

effect of the lifting of the sanctions on

Iraq by the United Nations, and the

beneficiaries of that change of policy.

I believe Congress should instruct the

administration to pursue means to

tighten the oil-for-food monitoring

program so that we are assured that we

have the accountability—and the

United Nations has never been particularly

adept at accountability—and to

develop measures that will prevent the

illegal leakage of oil into the world

marketplace.

I introduced a resolution 2 weeks

ago—Senate Concurrent Resolution No.

76—which would send that message to

this administration. I plan to amend

the resolution to reflect what is

learned in the congressional hearings,

and will ask the Senate to take action

on it in the near future.

My resolution will call on the administration

to consider a few options. The

first would be expanding the Multinational

Interdiction Force, MIF, in

the Gulf of Arabia and ensuring that

the rules of engagement allow MIF

forces to effectively interdict vessels

containing contraband oil.

Second, using all diplomatic means

available to ensure that other countries

in the region are not aiding illegal

oil exports in violation of the U.N.

resolution.

Third, inspecting all vessels leaving

the Iraqi Port of Basra to ensure that

the economic sanctions are not being

circumvented. This type of blockade is

justified under existing U.N. resolutions

implementing economic sanctions.

We maintain in the skies, in effect,

what amounts to a blockade, and

we certainly have the right to enforce

the movement of illegal oil that is

coming out of Iraq.

And, fourth, entering into negotiations

with oil-producing nations to encourage

them to make subsidized sales

of oil to Jordan so that Iraqi-Jordanian

oil-flows can simply be shut off.

Mr. President, oil is the key to controlling

the future of the military capacity

of Iraq. We have to control it if

we are ever going to control Saddam

Hussein.

This concludes my remarks. Mr.

President, I thank the Chair. I thank

the Senator from Pennsylvania for

yielding me time to talk on this Iraqi

issue.