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House of Representatives

The House was not in session today. Its next meeting will be held on Wednesday, September 4, 2002, at 2 p.m.

Senate

THURSDAY, AUGUST 1, 2002

The Senate met at 9:30 a.m. and was called to order by the Honorable HERB KOHL, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have promised, *"It shall come to pass that before they call, I will answer; and while they are still speaking, I will hear."*—(Isaiah 65:24).

Gently, but persistently, Your Spirit stirs our spirits, creating a hunger and thirst for You. Prayer is not our search for You. You are in search of us! We remember Pascal's words, "I would not be searching for Thee, hast Thou not already found me." You always instigate the conversation we call prayer. The stirring in our souls creating a desire to pray is Your wake-up call. Long before we think of praying, You are thinking of us. Thank You for reminding us,

"For I know the thoughts that I think toward you, . . . thoughts of peace and not of evil, to give you a future and a hope."—(Jeremiah 29:11).

The burdens of leadership are great, but Your faithfulness is always greater. Blessed burden lifter, strengthen the Senators for the challenges of this day. You, Dear God, are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable HERB KOHL led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Repub-

lic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 1, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HERB KOHL, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KOHL thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Nevada.

SCHEDULE

Mr. REID. I thank the Chair.

Mr. President, I do not want to get everyone's hopes up because it is up to the majority leader and the Republican leader, but I think there is a very good chance we can finish business sometime today or tonight and not have to work tomorrow.

The Senate at 10:30 this morning will vote. Prior to that vote at 10:30 a.m., the time will be equally divided and controlled between the proponents and opponents of the trade conference report.

At 2 p.m., by previous order, we will interrupt debate postcloture on the conference report to return to the DOD appropriations bill to wrap up action on that important measure. The only issue remaining then is the McCain amendment regarding the leasing of aircraft. After a brief period of debate, the Senate will then conclude action on that bill. The motion to table the McCain amendment has already been made.

Once those who oppose and support the trade conference report have had their opportunity to air their positions, the leader has indicated he is hopeful we can arrange a time certain for a vote on adoption of the conference report.

Senators are also alerted to the possibility that rollcall votes could occur on confirmation of judges later today. Senator LEAHY is indisposed this morning. He is attending a funeral.

Also, discussions are underway on how we will proceed to the homeland security legislation. While cloture was filed on the motion to proceed to the bill last night, the cloture vote on Friday may not be necessary.

I indicate the majority leader and I have been in contact at some length with the President pro tempore of the Senate, Senator BYRD, regarding that matter. We hope to have that resolved with a unanimous consent request sometime this morning.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

TRADE ACT OF 2002—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the conference report accompanying H.R. 3009, which the clerk will report.

The bill clerk read as follows:

A conference report to accompany the bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10:30 a.m. shall be equally divided between the Senator from Montana, Mr. BAUCUS, or the Senator from Iowa, Mr. GRASSLEY, and the Senator from North Dakota, Mr. DORGAN, or his designee.

The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I rise today to urge my colleagues to vote yes on the motion to invoke cloture on the trade bill. Three months ago, the Senate passed its version of the Trade Act of 2002. It was a strong bill, it was a progressive bill, and it passed overwhelmingly with strong bipartisan support.

We now have completed our conference with Representatives of the House. I am pleased to present the Senate with a conference report that retains and builds upon key elements of the Senate bill.

Let me begin by discussing the reestablishment of the President's fast-track trade negotiating authority. This authority will make it easier for the President to negotiate strong trade agreements, but we do not give the President a blank check. Far from it. The bill makes Congress a full partner in trade by laying out negotiating objectives on a number of topics and creating a structure for consultations—I might add, much stronger than previous fast-track bills.

Most of the debate on fast track has focused on three trouble spots in trade negotiations: Labor rights and environmental standards; so-called chapter 11 provisions; and U.S. trade laws.

Let me turn to them. First, labor and environmental standards. Most importantly, this bill adopts the standards set forth in the United States-Jordan Free Trade Agreement; that is, as a floor. No standards in future trade agreements can go below the floor set in the United States-Jordan Free Trade Agreement, which is a pretty high floor, but certainly agreements can be higher.

In that agreement, in the United States-Jordan Free Trade Agreement, both parties agreed to strive for labor standards articulated by the ILO and for similar improvement in environ-

mental protection. Both countries also agreed to faithfully enforce their environmental and labor laws and not to waive them to gain a trade advantage.

The conference bill's fast-track provisions fully adopt the Jordan provisions, and the bill makes it clear that Jordan is the model for every free-trade agreement we negotiate; that is, the bottom floor is Jordan. Again, agreements can go higher. That is a big step forward.

In addition, the conference report obtains negotiating objectives seeking to eliminate the worst forms of child labor. Senator HARKIN has been a tireless advocate on this issue, and I am proud the conference report includes this important objective.

Another contentious issue pertains to investor-state dispute settlement, also known as chapter 11, in reference to provisions on this topic in NAFTA, the North American Free Trade Agreement.

The conference report attempts to balance the legitimate needs of U.S. investors with the legitimate needs of Federal, State, and local regulators, and the concerns of environmental and public interest groups.

The bill directs trade negotiators to seek provisions that keep Chapter XI-type standards in line with the standards articulated by U.S. courts on similar matters.

It urges the creation of a mechanism to rapidly dispose of frivolous complaints and to deter their filing in the first place.

And it urges the creation of an appellate body to correct legal errors and ensure consistent interpretation of key provisions by Chapter XI arbitration panels. That is a level playing field.

So neither country has an advantage, and neither investors on the one hand, nor municipalities nor environmental groups on the other hand, have an advantage. It is a totally level playing field.

I am pleased that, on the whole, we were able to retain the Senate objectives on investment.

The second difficult issue within fast track is how we ensure fair trade.

To battle unfair trade practices, the United States and most other developed countries maintain antidumping and countervailing duty laws. Another critical U.S. trade law—Section 201—aims to give industries that are seriously injured by import surges some time to adapt.

Rather than being protectionist these laws are the remedy to protectionism. And importantly, these laws are completely consistent with U.S. obligations under the WTO.

On a political level, these laws also serve as a guarantee to U.S. industries and U.S. workers.

Without those critical reassurances, I suspect that the already sagging public support for free trade would evaporate, and new trade agreements would simply become impossible.

Now, the Senate overwhelmingly supported an amendment by Senators

DAYTON and CRAIG. That amendment provided a process for raising a point of order against a bill that changes trade remedy laws.

The House bill did not include this provision—although I expect the House might support such a provision if put to a vote.

That said, in the conference process we needed to come up with an alternative if we were going to move forward. I believe the provisions that have come out of that process are very strong—and give Congress an important role before an agreement is finalized. Let me explain.

First, this legislation raises concerns regarding recent dispute settlement panels under the WTO that have ruled against U.S. trade laws and limited their operation in unreasonable ways. These decisions clearly go beyond the obligations agreed to in the WTO and undermine the credibility of the world trading system. We must correct these erroneous decisions.

That is why our concern regarding WTO dispute settlement is identified at the very outset of the bill—as findings—and why the Administration is directed to develop a strategy to counter or reverse this problem, or lose fast track.

This bill also contains a principal negotiating objective directing negotiators not to undermine U.S. trade laws. This fully expresses Congress's view that maintaining trade laws is among the highest priorities in our trade negotiations.

Finally—and most importantly, I believe—this bill directs the President to send a report to Congress, 6 months before he signs an agreement, that lays out what he plans to do with respect to our trade laws.

This is important. This provision provides that the President—before he reports on any other issue—must lay out any changes that would have to be made to U.S. trade laws. This will give Congress a chance to affect the outcome of the negotiations well before they occur.

In fact, to buttress that point, the bill provides for a resolution process where Congress can specifically find that the proposed changes are “inconsistent” with the negotiating objectives. I suspect that if either House of Congress were to pass such a resolution—by the way, it is privileged. I mean it is nondebateable. It cannot be filibustered. So the relevant committees—House Ways and Means and Senate Finance—report this out, and it starts with a resolution offered by any Member of Congress in the respective bodies. I suspect that resolution—again, privileged, not filibustered, not amendable—would be very much listened to by the President.

If they don't get that message, there are ways that either House of Congress can derail a trade agreement. But I don't think it would come to that. I think the agreement would be renegotiated in that circumstance—and that is the point.

This is a solid fast track bill. If passed, this will be the most progressive fast track bill we have ever had.

Let me turn to the portion of the bill that I believe is the most historic. We now have a unique opportunity to expand and improve a program that is a critical part of moving toward a consensus on trade—that program is Trade Adjustment Assistance.

TAA is a program with a simple, but critical, objective: To assist workers injured by imports to adjust and find new jobs.

TAA was created back in 1962 as part of an effort to implement the results of the so-called Kennedy Round agreement to expand world trade.

President Kennedy and the Congress agreed that there were significant benefits to the country as a whole from expanded trade. They also recognized, however, that some workers and firms would inevitably lose out to increased import competition.

TAA was created as part of a new social compact that obliged the Nation to attend to the legitimate needs of those that lose from trade as part of the price for enjoying the benefits of increased trade.

Unfortunately, we have not always upheld that bargain in pursuing new trade agreements.

This legislation aims to fulfill the bargain struck in 1962.

It makes several important changes in the TAA program to make it more effective:

First, the conference bill expands the number of workers eligible for benefits.

Like the Senate bill, the conference bill covers secondary workers.

The conference bill also expands coverage to workers affected by shifts in production. Workers are automatically covered if their plant moves to a country with which the United States has a free trade agreement, or to a country that is part of a preferential trade arrangement.

For workers whose plant moves to any other country, benefits are available if the Secretary of Labor determines that imports have increased or are likely to increase.

“Or are likely to increase” is very important because obviously if a plant moves to another country, imports are likely to increase. Since companies that move offshore typically ship back to the United States, I can think of no circumstances in which relocating production abroad would not be accompanied by or lead to an increase in imports of the product.

Moreover, I would note here that the workers do not have to prove that the increase in imports will come from the country to which production relocated. This is a standard that is easily satisfied.

In addition, the conference agreement also includes a new program for farmers, ranchers, fishermen, and other agricultural producers.

Taken together, these expansions in eligibility are likely to result in a pro-

gram that would cover under 200,000 workers per year.

Moreover, TAA benefits are substantially improved.

For the first time in the history, we provide health care coverage for displaced TAA workers.

Who would have thought—when we started this process 2 years ago—that we would be able to achieve such an important and laudable goal?

But that is exactly what we accomplished. Workers eligible for TAA will now receive a 65 percent advanceable, refundable tax credit that can be used to pay for COBRA coverage, that is, coverage related to lost health insurance on account of lost jobs or a number of other group coverage options through the States. This assistance is available to workers for as long as they are participating in the TAA program.

I am pleased with the health care provisions in the conference report, and I hope that we can bring the same willingness to work together and compromise to other important health care issues before us.

The conference report also extends income support from 52 to 78 weeks to allow workers to complete training. And thanks to the efforts of Senator EDWARDS, it adds a further 26 weeks of training and income support for workers who must begin with remedial education such as English as a second language. To pay for this additional training, the annual training budget is doubled from \$110 million to \$220 million.

For older workers, the conference report offers wage insurance as an alternative to traditional TAA. Workers who qualify and who take lower-paying jobs can receive a wage subsidy of up to 50 percent of the difference between the old and new salary—up to \$10,000 over 2 years. The goal is to encourage on-the-job raining and faster re-employment of older workers who generally find it difficult to change careers.

The bill included a 2-year wage insurance pilot program. The conference report improves on the Senate bill in two ways—by making the program permanent, and by providing TAA health benefits to workers under the program if the new employer does not provide health insurance.

Finally, in addition to expanding benefits and eligibility, the conference agreement makes a number of improvements that streamline the program. It eliminates bureaucracy. It makes the program fairer, more efficient, and more user friendly. And I believe it will meet the ultimate goal of TAA—getting workers back to work more quickly.

All told, this bill amounts to a major expansion and a historic re-tooling of TAA—a step that is long overdue.

Forty years ago, President Kennedy asked Congress for trade liberalizing legislation. It was a much simpler bill at that time, when trade issues were more narrowly defined, but it was still controversial. For many of the same reasons, that remains controversial today.

President Kennedy emphasized the importance of trade for our economy, for our workers, for American leadership, and the world. He also recognized, even then, that trade also creates dislocation and that a new program, trade adjustment assistance, was needed to help workers left behind by trade. Congress seized that opportunity and passed the Trade Expansion Act of 1962.

Today, we, too, can show the world and America what we stand for. Building not only on the vision of President Kennedy but also on the efforts of the Presidents who followed him, we can show the world that America will lead the way in building a new consensus on international trade. We, too, must seize that opportunity.

I urge my colleagues to vote to invoke cloture and to pass the conference report.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. DORGAN. Mr. President, first of all, this debate, if it is like most debates on fast track, will not be a very thoughtful debate. There is a relentless chanting about free trade and the global economy, but no discussion about what is really happening in trade.

I believe in expanded trade. I believe expanded trade helps our economy and helps economies around the world. I am not someone who believes we should put walls around our country and try to keep other goods out of our country. I do believe, however, our country has a right to be a leader in demanding and insisting on fair trade. That has not been the case for several decades. I will talk a bit about that.

In October 2001, our trade Ambassador, Mr. Zoellick—a man I like—speaking to a business group in Chicago, described opponents of trade promotion authority as “xenophobes and isolationists.”

That is fairly typical of the prevailing view on trade. There is a perception that this debate has two camps: The camp that is able to see over the horizon, they get it, they understand it, they understand the global economy, and they understand all of the issues; and then there are the others, xenophobic, isolationist stooges who cannot and will not understand.

The Senate is preparing to give the administration the power to negotiate trade agreements in secret, and bring them back to Congress for very limited debate. Congress will have in place a procedure that will prevent the Senate from ever changing even one word of the agreement. In other words, Congress signs itself up to say: Handcuff us. Handcuff us so we cannot change a word in the next trade agreement you bring back. We understand we will not be part of the negotiation, we understand we will not be in the room, we will not even know where they take place, but we agree beforehand that whatever you bring back to us, we will not change a word.

Had I been able to change a word of the United States-Canada Free Trade

Agreement, we would not have the problem with grain trade with Canada we have had for a decade. When that trade agreement came back to the Senate, I could not change one word because Congress passed fast track.

Trade promotion authority is a euphemism for what used to be known as fast track. It is Congress handcuffing itself, saying: Whatever you negotiate, wherever you negotiate it, we promise not to offer one amendment to change one word of the trade agreement.

There are people who will sign up for almost anything. I saw in the paper a while back that the Oscar Meyer Weinermobile was advertising for a driver. The Oscar Meyer Weinermobile, which we have seen in clips, needed a driver, and 900 college graduates applied. I thought to myself, people will sign up for almost anything, won't they? Nine hundred college graduates aspire to drive the Weinermobile.

Then I see people signing up for the proposition that the Congress ought to handcuff itself, in advance, before a trade agreement is negotiated in secret in some location we do not yet know, and I see people say: Sign me up, I think that is a good deal.

Let me describe the circumstances in which we find ourselves after a barrelful of this trade strategy. This chart represents red ink, trade deficits. Today is Thursday. Today, the American people and our Government, our country, will incur a \$1.4 billion deficit—just in this one day. Today, every day, 7 days a week, our trade deficit is relentless, and it increases at a relentless pace. The deficit for this year will go off the chart, by the way. That is a trade deficit we owe not to ourselves, as we do with the budget deficit, it is a trade deficit we owe to other countries.

We have people who think this strategy works. Would this be malpractice in medicine if a doctor prescribed medicine and it did not work, and he prescribed it again and it did not work, and he said, let's keep prescribing the same medicine that does not work? How about a football team that calls the same plays despite the fact it does not work?

That is exactly what we are doing in international trade. The same people made the same promises then that they are making now: If we can just do more of the same, our country will be better off. Total nonsense.

The last big debate we had was NAFTA—United States, Canada and Mexico. Prior to that debate, we had a very small trade surplus with Mexico. We had a surplus with Mexico and a reasonably modest trade deficit with Canada. We had people promising the Moon: If we just do this, if we sign up for the NAFTA agreement, if you let us negotiate it in secret—if you allow us to do that, we will add 300,000 new jobs in the United States of America. Total nonsense.

Here is what happened after NAFTA: A trade surplus with Mexico turned into a very large deficit; a modest

trade deficit with Canada turned into a huge trade deficit with Canada. People said: Well, if you just sign up to this, we will import the skills of low-skill labor from Mexico; that is what we intend to have happen. Do you know what the three largest imports from Mexico are? Electronics, automobiles, and automobile parts—all the product of high-skill labor. So the deficit explodes. Now we have a very large combined deficit with our two trading partners on the south and north of us, and we have people in the Senate who said: Boy, this is really working. What a great deal for our country.

I graduated from a small school, a high school class of nine in my senior class. I know we did not have all the advanced mathematics some other people had, but this surely must be the only venue in America where grown men and women add 2 and 2 and get 5 and compliment each other on their math skills.

In this morning's newspaper, there are reports about anemic economic growth, and worries about a double dip recession. According to economists, the trade deficit has done a lot to reduce our economic growth to just 1.8 percent.

The fact is, this trade deficit matters, and we are getting clobbered by it. It ties an anvil to the neck of this country's economy. And we have people coming to the floor of the Senate saying: let's do more of the same; let's do much more of what is not working. I, for the life of me, cannot understand that.

Postcloture, I am going to give a speech that describes the details of all of this and ask the question: Why are we all so interested in having the next treaty negotiated, or the next trade agreement negotiated, before even one problem is fixed? Let me give you some examples of problems, even if I do not describe them all now.

How about eggs to Europe, high-fructose corn syrup to Mexico, automobiles to China, automobiles to Korea, potato flakes to Korea, unfairly subsidized grain from Canada, beef to Japan, flour to Europe? I can go on, and I will go, on at some length about each of those. How about stuffed molasses from Canada? That is an interesting one, stuffed molasses. Brazilian sugar is sent to Canada and then mixed with liquid molasses, put in a container, and shipped into this country in contravention of our trade laws. They take the sugar out of the molasses, send the molasses back to Canada, and everything is as it was before, except we now have Brazilian sugar in our market in contravention of our trade laws and you cannot do a blessed thing about it. When the trade bill left the Senate, it contained a provision that fixed this problem. The bill that came back out of conference essentially dropped this provision. But that is typical of virtually everything in this bill that left the Senate with some decent provisions and came back here washed clean of those provisions.

There is a company in Canada. It is called Methanex. It is a company that makes MTBE, a fuel additive. California has decided it is going to discontinue the use of MTBE in fuel because it ends up in the ground water. The fact is, it poisons people. You have to get it out of the ground water, so you have to stop using it in fuel. So when California decides on behalf of the safety of its citizens to stop using MTBE, a fuel additive that is now showing up in their water supply, guess what. The Canadian manufacturer of that product takes action in the WTO against the United States for violating trade laws. So a State that tries to protect its citizens from a poison going into the water supply is now being sued, under our trade agreement, by a Canadian company.

Guess what. The NAFTA dispute tribunal is secret. They are going to shut the door, lock the door, and in a closed room somewhere—where we will not be told—they make a decision about whether we have the right to protect our citizens.

I offered an amendment on this bill here in the Senate. A wide bipartisan majority of Senators voted for it. It said: Those dispute resolutions must be opened to the public. America needs to see them. Let's have the disinfectant of sunlight on those trade disputes.

That makes sense, doesn't it? Except the trade bill came back from conference with that stripped out.

The bill also came back from conference without the Dayton-Craig amendment, which I cosponsored. The Dayton-Craig amendment said if you are going to negotiate a trade treaty and weaken the laws that protect us against unfair trade, then we deserve to have a separate vote on it. Do you know what they did? They stripped that out and they said: What you can do is you can have a sense-of-the-Senate resolution.

We can have a sense-of-the-Senate resolution right now. That doesn't mean anything. To offer this kind of placebo is an insult. You are either going to stand up for this country's interests or you are not. If you decide you are not going to stand up for this country's interests, just say so. Don't play a game with it.

The Dayton-Craig amendment ought to be in this piece of legislation. The amendment I offered on transparency ought to be in this piece of legislation. Amendments dealing with child protection and child labor issues ought to be in this legislation—and it is not, despite the fact that at its roots it is bad legislation.

We ought not handcuff ourselves. We should not preclude ourselves from offering one amendment to a treaty that has not yet been negotiated at a time and place not yet described; a treaty in which the negotiations are not open to the public. We in the Senate agree we will not offer one amendment; in fact, we will prohibit it. Has anybody read the Constitution lately? That is not what the Constitution says.

People refuse to stand up on the floor of the Senate and say: On behalf of our producers we demand fair trade. On behalf of farmers, steelworkers, textile workers, we are willing to compete. Yes, we want competition, absolutely. Bring them on. We are willing to compete. But we demand fair competition. If it is not fair, we say to those who want to ship their trousers and shirts and shoes and trinkets to us, ship them to Nigeria or Zambia and see how fast they sell. Say to Korea, that sent 630,000 cars into our marketplace and we are allowed only 2,800 cars into Korea: Korea, ship your cars to Zambia. See how many you sell. If you want to keep shipping Hyundais and Daewoos to the American marketplace, then open your market to American automobiles. It is very simple.

I am going to talk more about this during the postcloture period. But my question is very simple: When will the House and Senate stand up for American producers? No, not for an advantage for them, just to demand basic fairness for workers and producers in this country. Just to demand basic fairness. When will we take action?

I said before, maybe if there is a fast track urge around here, maybe if deep in the breasts of people around here they have some urge to do something on fast track, we should pass a piece of legislation that says the only fast track you have, Mr. Ambassador, is to put on fast track the solution to our trade problems. Fix a few problems before you negotiate a new trade agreement, just fix a few problems, then come back here and tell us you have fixed a few, and then we will work with you.

Understand what is going to happen today. We will have a debate that is never at the center of the issue. We will have a vote. We will vote cloture. Then tomorrow, after the bill is passed, the President will talk about how wonderful it is that he has this trade promotion authority, which is fast track. People in Congress will talk about how wonderful it is because they understand the global economy and how important this is. It is all sheer nonsense, and they know it.

I hope tomorrow morning someone will address this question: Why is it when things are not working, you want to do more of it? Why is it you want to do more of that which does not work? Just describe for one moment why you think something that hurts this country is something that we ought to continue.

Let me finish as I started. My speech, especially the speech I will give later where I will go into a lot of specifics, will be misinterpreted, because it always is, as someone who is a xenophobe isolationist who doesn't believe in free trade. I believe in expanded trade. I believe trade promotes opportunity for our country and for others. But I, by God, insist on fair trade for American workers and producers, and I do not believe that after fighting for 100 years in

this country for the right to organize, for people dying in the streets for the right to organize in a labor force, for the right to have a safe workplace, for the right not to employ children, 10- and 12-year-old children in coal mines and in factories, for the right to a decent wage—after fighting for those things for a century, I do not believe we ought to construct an economic system where companies can pole-vault over all of that in just a nanosecond and say, “I renounce my American citizenship, let me become a citizen of Bermuda and put my jobs in Sri Lanka and Bangladesh,” and not have to worry about all the things we fought about for a century.

Fair is fair. There is a price for admission to the American marketplace. You cannot have a 12-year-old kid, pay him 12 cents an hour, work 12 hours a day, and ship the product to Pittsburgh or Fargo or Los Angeles and call that fair trade. It not fair to America's workers and or producers. This fast-track trade authority for a trade agreement that has not yet been negotiated is, in my judgment, an aberration.

It ignores the precepts of the consultation about international trade. In my judgment, because of what has happened in recent years, the evidence is clear that it also hurts our country.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. EDWARDS). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume, but I would like to be informed if I have reached the 7-minute mark.

Mr. President, I hope people on the other side of the aisle will take into consideration the statements of the previous President of the United States, President Clinton, on the importance of trade. President Clinton rightly bragged about one-third of the new jobs during his administration being directly related to trade emphasizing the importance of trade. John Deere, Waterloo, IA—one-fifth of the jobs there are related to trade: 3M in Oakville, IA—40 percent of production is related to trade.

We want to remember that trade creates jobs. It creates jobs that pay 15 percent above the national average. According to President Clinton, and according to the economic facts of life, trade is good for American workers—creation of jobs, and creation of good jobs.

I would also like to say that those who have been criticizing President Bush saying he does not have a strong economic team must, in fact, have their heads in the sand.

Compare that criticism to what I just said about the importance of trade as emphasized by President Clinton. Then you will see the strong economic leadership of Ambassador Zoellick and Secretary Evans as they have worked on trade issues generally, and particularly their leadership on trade promotion authority.

Two things about the economic policy of this administration: They have strong leaders in place to talk about the importance of the economy and to carry out policy important to the economy. And particularly they are considering continuing the trend that President Clinton emphasized—the importance of trade to creating jobs, and good jobs.

I think it is bunk that this administration has no strong economic voice, particularly if you look at the strong leadership of Ambassador Zoellick and Secretary Evans on promoting good trade policy, and their very successful work on bringing this legislation to where it is now.

Make no doubt in anybody's mind that I rise in strong support of the conference report accompanying H.R. 3009, the Trade Act of 2002, and urge my colleagues to support cloture and final passage.

This bill is the product of over a year and a half of intense negotiations, discussion, and debate from both Republicans and Democrats in both Houses of Congress—and particularly strong bipartisan support here in the Senate.

Because of these efforts, the Trade Act strikes a solid and balanced compromise among a number of key issues and competing priorities in the tradition of bipartisanship in the Senate. It is a product that should receive broad support here in the Senate today.

The Trade Act of 2002 renews trade promotion authority for the President for the first time in almost a decade.

Through a spirit of compromise, Democrats and Republicans were able to break the deadlock on trade promotion authority that was the environment during the last term of President Clinton, and we were able to reach a balanced compromise on a number of key issues.

At the same time, we were able to provide the President with the flexibility that he needs to negotiate strong international trade agreements while maintaining Congress's constitutional role over U.S. trade policy.

It represents a thoughtful approach to addressing the complex relationships between international trade, workers' rights, and the environment. And it does so without undermining the fundamental purpose and proven effectiveness of this process now called trade promotion authority.

It is an extremely solid bill. The Trade Act also reauthorizes and improves trade adjustment assistance for America's workers whose jobs may be displaced by trade. I think the trade adjustment provisions in the act are a vast improvement over the legislation that passed the Senate.

Our provisions—which I voted for but wasn't entirely in tune with—would have completely rewritten existing law of trade adjustment assistance.

In doing so, the Senate bill added a number of new, costly definitions, time lines, and ambiguous administrative obligations.

This conference report removes these burdensome and ill-advised changes. Unlike the Senate bill, the conference report simply amends and builds upon existing trade adjustment assistance law.

It adds new provisions which help to actually improve trade adjustment assistance while maintaining a linkage to trade.

In short, the Trade Act improves the Senate-passed trade adjustment bill and represents a balanced approach to ensuring that workers displaced by trade will get the necessary assistance in trading to reenter the workplace.

I also mention the good provisions of the Andean pact because this will help create new employment opportunities in the countries of Bolivia, Ecuador, Colombia, and Peru. It will help us, too, in our efforts there to fight drug trafficking.

I will be the first to admit that this bill is not a perfect piece of legislation. But, all in all, it is fair and balanced. It deserves strong support.

International trade has long been one of our most important foreign policy and economic tools. It was a key component for the last 50 years for enhancing international economic strategy. This bill will make a difference.

Nations around the world are waiting for our call and the usual U.S. leadership of the last 50 years. Trade ministers and cabinets all over the world are looking to the Senate now for the United States to reestablish its leadership that we haven't had for 9 years. I hope we will not let them down.

I urge support for the conference report, vote for cloture and passage of the bill.

I yield the floor.

Mr. BAUCUS. Mr. President, before the Senator from Idaho speaks, I want to thank him for all his hard work on trade remedies. And I thank him, too, for the support and for being a very strong advocate of checking American trade laws. I thank him for all that he has done.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I thank the chairman of the Finance Committee, and also the ranking member.

Mr. President, I rise in support of the trade promotion authority legislation. I will speak briefly about the strong provisions contained within the conference bill that will help the United States preserve the effectiveness of our trade laws.

As many of you know, these laws are going to be critical to the ability of U.S. companies, farmers, and workers to combat trading practices that harm our economic interests. As barriers to trade come down around the world, it becomes critically important to uphold the rules that combat government subsidies and predatory pricing practices.

As many of you know, and many of you participated with Senator DAYTON and I in crafting an amendment aimed at preserving the ability of Congress to

have a significant role in shaping our laws, it was not done in an isolationist or xenophobic attitude—not at all. That amendment had overwhelming, bipartisan support, and spoke directly to TPA and the role of the Senate.

I tell you, I was disappointed the conference did not deal with the Craig-Dayton provision, but I do believe the conference bill does contain several strong provisions that require the administration to consult with us every step of the way during trade negotiations.

First, the bill makes trade law preservation a principal negotiating objective.

Secondly, it requires the administration to report to Congress a full 6 months before a trade agreement is initiated regarding any trade law changes that trade agreement would require. In other words, the U.S. Trade Representative must come to the Senate and explain to each of us what will be changed in our laws, and how those changes meet the objectives of trade and also the rights of this Congress. We have gained transparency in the process of negotiation. I think that is critical.

And third, if those changes do not satisfy our requirements of preserving U.S. trade law, well, we can vote on a resolution of disagreement. And I will help write it.

Make no mistake, our trade laws are under attack at the WTO.

First, several countries have put forth proposals that would fire a number of rounds into our trade laws with every intent of sinking them.

Our trade laws are also unraveling, on a monthly basis, before the WTO dispute settlement process where bureaucrats in Geneva sit back and tell our trade law agencies how to make their decisions, completely ignoring the standard of review that was agreed to in the last trade round.

These are some of the issues. So Ambassador Zoellick, Secretary Evans, hear us loud: Do it right or bring it back here and we defeat it.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. CRAIG. Sixty-two Senators said: Do not negotiate away our trade laws, or suffer the consequence.

I yield the floor.

Mr. GRASSLEY. I yield the remainder of the time to Senator NICKLES.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, how much time remains?

The PRESIDING OFFICER. Forty-one seconds.

Mr. NICKLES. Mr. President, I ask unanimous consent to speak for 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I urge my colleagues to vote in favor of the conference report that is before us today and the cloture motion.

Let me just make a couple very quick comments. I do not agree with

everything that is in this bill. And I do not agree with the way it was put together. We had three bills together. The Andean trade bill should have been passed a year ago. It expired in December.

You have Colombia, Ecuador, Bolivia, and Peru that have been needing us to pass this bill. Those are all allies of ours, but they were held hostage by it being put in a package. But the only way we can help them is by passing this bill today. It is better late than never. We need to do it. I apologize to those four countries for us taking so long.

We have been collecting duties against our allies when, for years—for over 10 years—we have not done it. So we are long overdue. Senator MCCAIN has brought this to our attention on the floor. They were held hostage because these three bills were put together.

Also, trade adjustment assistance—which the Congress has always passed and the Senate has always passed, but not as part of trade promotion authority, or not as part of fast track—we need to do it, but it should not be in the same package.

I disagree strongly, very strongly, with a couple of elements that are in the trade adjustment assistance package, particularly the expansion of health benefits or the health tax credits. It is 65 percent for people who now are between the ages of 55 and 65. Those now receiving Pension Benefit Guaranty Corporation benefits are now going to get health benefits. It is almost like an incentive to dump your pension liabilities into the PBGC, which is going to have enormous financial problems in the future. Now that is an obligation for taxpayers.

That being said, I think it would be a disastrous thing if this Senate did not pass trade promotion authority. And now all three bills are tied together. So while I do not like the trade adjustment assistance—and if it was separate, I would be voting against it—when taken together, the good of the trade promotion authority far outweighs the entire package. We have to pass it.

I would shutter to think what would happen if we did not pass it. I will even guess what would happen. I remember Chairman Greenspan was asked: What can we do to help the economy? And he said: You need to show fiscal discipline. We have not in many cases. And you need to promote trade. Well, if we did not pass this, there would be a big economic shock wave that would not only resonate in Wall Street but all across the world: The United States defeats trade promotion authority. The United States, the world leader in trade, really defeated trade, defeated trade promotion—taking us out of our active leadership role which we have had since at least the 1970s, which we have had for decades, really since the conclusion of World War II. We would be

saying: No, we don't want to be a leader in trade. I think that would be a disastrous result.

So I think the stock market would have a precipitous decline. Our leadership role in free trade would suffer an enormous defeat.

So I urge my colleagues to support the cloture motion on TPA.

The PRESIDING OFFICER. The time of the proponents has expired.

The Senator from North Dakota.

Mr. DORGAN. Mr. President, I ask unanimous consent to add 3 minutes to my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota.

Mr. DORGAN. Mr. President, first of all, I appreciate that both sides should have equal time. I enjoyed listening to my colleague from Oklahoma. I might say, however, I do not believe that Chairman Greenspan would suggest we should promote trade deficits. I think he suggests we promote international trade. I am all for that. Sign me up. Count me as one who believes we ought to expand international trade. I think that is healthy. Good for our economy and good for the economies of those with whom we trade, provided the trade is fair and reasonably balanced.

We have a trade deficit with China that is \$60 billion to \$70 billion, and headed south. We have a trade deficit with Japan that is between \$50 billion and \$60 billion—slightly more than that, as a matter of fact. We have a trade deficit with Mexico and Canada that is becoming significant. And we have a trade deficit with Europe.

It is interesting how all of the discussion this morning has carefully avoided the fact that the current trade policy they espouse isn't working. The current trade policy, last month, produced a \$41.5 billion trade deficit—just last month. That is a deficit that will be a yoke on the shoulders of every American. It is relentless, it is increasing, and everyone who speaks in favor of this trade policy carefully and studiously ignores it. They just do not want to talk about the fact that it isn't working.

Let me, once again, put up a chart that shows what is happening in international trade. Our country is drowning in trade deficits. The next line would be up here off the chart. The merchandise trade deficit is exploding. Everyone in the Senate knows that. It emanates from a trade strategy that is, in my judgment, weak kneed, a trade strategy in which we lack backbone and will.

Our country refuses—refuses—to say to China or Japan or Europe or Canada or Mexico that we demand some reciprocity and fair trade. We just refuse to do it.

We have this huge trade deficit with China. So China wants to buy airplanes, and goes over and buys airplanes from Airbus, which is heavily subsidized by the European governments. Is that fair? It is fair to an

American producer of airplanes? It is fair to Boeing? You know it is not fair.

We ought to say to China: Look, you want to sell us all of your trousers and shirts and shoes and trinkets, and all the things you manufacture in our marketplace; good for you. Our marketplace is open to you, by all means. But understand this: When you need something we produce, you ought to be buying from us. That is the way trade ought to work.

Mr. GREGG. Will the Senator yield for a question?

Mr. DORGAN. Of course. I have very limited time. You have used all your time.

Mr. GREGG. Mr. President, I ask unanimous consent the Senator be granted an additional 5 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. And that 5 minutes be granted also on this side.

Mr. DORGAN. No. We have a vote.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, we have a vote scheduled. I will yield on my time for a very brief question.

Mr. GREGG. Well, the vote is scheduled to start at 10:30. It would be just an additional 5 minutes and 5 minutes.

Mr. REID. What was the request?

The PRESIDING OFFICER. The Senator from North Dakota has the floor.

Mr. GREGG. I asked unanimous consent the Senator be granted an additional 5 minutes, and also 5 minutes for this side.

Mr. REID. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. DORGAN. I was willing to yield ever so slightly because I have such limited time.

Let me say this: I am going to speak postcloture, and I would be happy to engage in the debate. No one in the Senate really wants to debate trade very much. They want to simply say there are those of us who support fast track, and those of us who get it, who understand it, who see over the horizon, and who have a broader view of the world. And then there are, as Ambassador Zoellick suggests, the xenophobes and isolationists, the stooges who just don't see it. That is the thoughtless debate that occurs every time we talk about trade.

But I will, in the postcloture period, ask a series of questions. I hope perhaps some colleagues will be here.

I will ask, for example, about the issue of washed versus unwashed eggs with Europe, corn syrup with Mexico, and automobiles with China. We will see if there are people on the floor of the Senate who agree with the circumstances of our trade relationships. The problems are relentless, they are pervasive, and they continue.

What we want to do is rush off and negotiate the next trade treaty before we solve any problems in the previous treaties. How can we tell the farmers of North Dakota that it is all right? That

it doesn't matter that they have had a problem for 10 years of a monopoly in Canada shipping unfairly subsidized grain south? We want to do another treaty. The folks who produce America's beef, who 12 years after the beef agreement with Japan now have a 38.5-percent tariff on every pound of beef sent to Japan—how can we tell these people that it just doesn't matter?

Yes, we are a leader in trade. Regrettably, we have been a leader without a backbone. We have refused to say to our trading partners, there is an admission price to the American marketplace, and that admission price is fair trade with respect to labor standards and a range of other issues.

Most especially, from my standpoint, I am concerned about the issue of fundamental fairness. I mentioned that I did not support fast-track trade authority for President Clinton, didn't think he should have it. I don't think President Bush should have it.

I also mentioned earlier, the last two experiences we have had with fast track, both NAFTA and GATT, have not turned out well for America. The agreement that went into conference came out of conference in much worse shape than it left the Senate. They essentially got rid of the Dayton-Craig amendment and put a placebo in place. They got rid of the transparency issue I raised.

I want to talk about what they boast about with respect to this conference agreement. It provides assistance with health insurance. What that means is for those Americans who lose their jobs because of the next incompetently negotiated trade agreements, we will help pay their health insurance. That is going to be great news to people who will lose their jobs. It is safe to say not one man or woman in the Senate will lose their job because of this vote. Fast track will not cost any jobs here in the Senate. No Senator's job is threatened by this. It is also safe to say that those Americans who are working for companies that will be subject to unfair trade, because our trade negotiators want to negotiate the next agreement rather than fix the problems they have created in the past, are going to have little consolation with these provisions. If you lose your job, we give you health insurance. Well, maybe it would be better if they didn't lose their job.

We expand coverage for secondary workers. If you are a secondary worker and you lose your job, we help you a bit. There is wage insurance for the older workers who lose their jobs: We will help you a bit. New benefits for farmers and ranchers: If you lose the farm and the ranch because of trade negotiations, we are willing to help you. It might be better just to negotiate trade agreements that are fair to our producers and say to our producers: This represents fair competition. You have to go compete. If you don't win, that is tough luck. But we have made the rules fair for you. You have to compete and win.

That is not what we do here. Our trade negotiators don't do that. In negotiation after negotiation, we discover we don't have much of a backbone.

Will Rogers once said that the United States of America has never lost a war and never won a conference. He surely was talking about our trade negotiators. They usually manage to lose in a week or two; sometimes it takes longer. I can't think of a trade negotiation in recent years that has enhanced this country's economic interests.

How much time do I have?

The PRESIDING OFFICER. The Senator has 2½ minutes.

Mr. DORGAN. We will have a cloture vote this morning, and my expectation is that sufficient votes exist to have cloture. We will then have a postcloture period in which I will speak at greater length about the specifics of unfair trade.

Let me say this: The only bright spot for me for some long while in international trade was Mickey Kantor, trade ambassador some while ago, who in 1 year took action against Canada for engaging in horribly unfair trade against American farmers. I happen to like current trade ambassador Zoellick. I think he is a charming fellow. This is not about personalities, it is about strategy.

The fact is, this Senate is going to make a serious mistake by deciding it will tie its hands and it will agree to tie its hands prior to negotiation of a new trade agreement so that if and when a trade agreement comes here for approval by the Senate, we agree not to change a word.

Think of the difference that would have existed had we been able to change a few words in the United States-Canada trade agreement; think of what it would have meant for tens of thousands of American farmers if we had been able to say: We demand fairness in this agreement. But we couldn't. That trade agreement was negotiated, as all of them are, in secret. The next trade agreement will be negotiated the same way. We will come back 5 years from now, and I will be back on the floor of the Senate, if I am here, showing with another chart that we are drowning in red ink and jobs are leaving and opportunity is lost. We will have people saying: We ought to do the same thing. We ought to repeat the same failures.

It is hard for me to understand how repeating something that doesn't work advances America's interests. This must be the only body in the world that has grown men and women adding 2 and 2 and getting 5 and complimenting each other on their math skills. It defies logic, in my judgment, to believe that this strategy enhances America's economic interests.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close the debate on the conference report to accompany H.R. 3009, the Andean Trade bill.

Harry Reid, Max Baucus, Dianne Feinstein, Ron Wyden, Robert G. Torricelli, John B. Breaux, Thomas A. Daschle, Thomas R. Carper, Blanche L. Lincoln, Zell Miller, Charles E. Grassley, Larry E. Craig, Phil Gramm, Jon Kyl, Frank H. Murkowski, Trent Lott.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call under the rule is waived.

The question is, Is it the sense of the Senate that the debate on the conference report accompanying H.R. 3009, the Andean Trade Promotion and Drug Eradication Act, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from Vermont (Mr. JEFFORDS), and the Senator from Vermont (Mr. LEAHY) are necessarily absent.

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

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

The yeas and nays resulted—yeas 64, nays 32, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—64

Allard	Ensign	McCain
Allen	Enzi	McConnell
Baucus	Feinstein	Miller
Bayh	Fitzgerald	Murkowski
Bennett	Frist	Murray
Biden	Graham	Nelson (FL)
Bingaman	Gramm	Nelson (NE)
Bond	Grassley	Nickles
Breaux	Gregg	Roberts
Brownback	Hagel	Santorum
Bunning	Hatch	Smith (NH)
Cantwell	Hutchinson	Smith (OR)
Carper	Hutchison	Snowe
Chafee	Inhofe	Specter
Cleland	Kerry	Stevens
Cochran	Kohl	Thomas
Collins	Kyl	Thompson
Craig	Landrieu	Voinovich
Crapo	Lieberman	Warner
Daschle	Lincoln	Wyden
DeWine	Lott	
Domenici	Lugar	

NAYS—32

Boxer	Durbin	Reid
Burns	Edwards	Rockefeller
Byrd	Feingold	Sarbanes
Campbell	Harkin	Schumer
Carnahan	Hollings	Sessions
Clinton	Inouye	Shelby
Conrad	Johnson	Stabenow
Corzine	Kennedy	Thurmond
Dayton	Levin	Torricelli
Dodd	Mikulski	Wellstone
Dorgan	Reed	

NOT VOTING—4

Akaka	Jeffords
Helms	Leahy

The PRESIDING OFFICER. On this question, the yeas are 64, the nays are

32. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The Senator from Arizona.

Mr. MCCAIN. Madam President, could the Chair inform me as to the parliamentary situation as it exists?

The PRESIDING OFFICER. Cloture has been invoked on the conference report. The Senator has a maximum of 1 hour of debate. The amendments must be germane or the debate must be germane to the conference report.

Mr. MCCAIN. I understand.

Madam President, I do not intend to take very long. I do want to speak for a relatively brief period of time on the importance of the Andean Trade Preference Act.

I think it is very important we recognize that in our hemisphere today we have a number of very serious situations—the possibility of a breakdown of democracy. Institutions which were regarded as relatively strong and stable a short time ago, in many of the countries throughout our hemisphere, are in danger or in some cases near a crisis situation. That is why I think the Andean Trade Preference Act, although maybe not of major impact, is certainly one that is important and an important signal to send to these countries in the region. That, coupled with our overall approval of trade authority for the President of the United States, I hope will be an encouragement to nations in our hemisphere that are now in varying degrees of duress.

Argentina is in a serious financial crisis. A country that was once the fifth most wealthy nation in the world is now in such a period of financial difficulty that their economy could be close to collapse. Venezuela is a country whose democracy is under severe strain. Hundreds of thousands of Venezuelans took to the streets recently to demonstrate against their elected President, and, as we all know, there was an attempted, briefly successful, coup which was antidemocratic in nature.

In Bolivia, one of the countries that is directly affected by the Andean Trade Preference Act, there is now a candidate for President of that country who is running on one of his commitments to the people of Bolivia, which is that they will resume the growth of coca—a remarkable turnaround, particularly given that Bolivia had an incredibly successful cocaine eradication program.

Peru is in such difficulties that the President, President Toledo, has gotten rid of the reform economists in his Cabinet and his popularity and approval have plummeted to almost historic lows.

As we prepare to vote on this trade package, our country is precariously positioned in the international trade arena. Many of our friends and allies no longer see the United States as a nation that champions global free trade but, rather, as a nation that increasingly fears foreign competition

and seeks to erect barriers to trade in order to protect domestic industries and advance narrow political agendas.

A series of shortsighted protectionist actions in recent years has jeopardized our relationships with our most important trading partners. Given our recent double standards on trade, it is not surprising that the United States is quickly losing its credibility and leadership in championing free trade principles around the world.

Our staunchest allies and most important trading partners are now doubting our dedication to the free trade principles we have long championed.

Many of the nations that engage in the free exchange of commerce are also our staunchest allies in the war on terrorism. Over the past eight months, those countries have joined in our worthy cause, some making substantial sacrifices to advance our shared values. During that time, even as our allies have deployed their forces to stand alongside our own in Central Asia, we have pursued protectionist policies on steel and lumber, and passed into law a regressive, trade-distorting farm bill. We are already fighting one war on a global scale. We cannot simultaneously fight a trade war.

The United States simply cannot afford to follow the dangerous path of protectionism. I hope that the passage of trade promotion authority and the Andean Trade Preference Expansion Act, both of which are included in this package, will represent a turning point. Now is our chance to put a stop to our short-sighted protectionism and recognize that such behavior has consequences.

Mr. President, this package of trade bills, including the Andean Trade Promotion and Drug Eradication Act, trade promotion authority, and trade adjustment assistance (TAA), demonstrates what I hope is the beginning of a renewed commitment to negotiating and expediting strong trade agreements. Enactment of this legislation will go a long way toward re-establishing faith and trust in the United States as a trading partner.

The Andean Trade Preferences Act, a measure that would be expanded by this bill, is a trade-related success story that has not only strengthened our economy, but our national security as well. ATPA was designed to reduce the Andean region's drug trade and spur economic development. That Act has proven effective, and benefitted not only Bolivia, Colombia, Ecuador, and Peru, but also the United States. Its extension is long past due.

Originally enacted in 1991, entire export industries have been created through ATPA. The cut flowers industry alone has created more than 80,000 new jobs in Ecuador, and over 150,000 new jobs in Colombia. In Peru, the benefits of the Andean trade act encouraged farmers to cultivate asparagus, making it that country's largest export crop to the United States, creating

50,000 new jobs in the process. No longer are people in these countries confined to producing the raw materials that go into the production of cocaine; They have the ever increasing options afforded them under ATPA.

Unlike other forms of assistance, ATPA costs the U.S. nothing. In fact, American workers and consumers benefit through reduced prices on goods and services.

Despite such success, it has taken Congress well over a year to extend this non-controversial measure. Legislation was introduced in the Senate in March 2001 to extend and expand ATPA, which was set to expire December 2001. Along with this history, a long delay in the appointment of conferees and partisan disagreements, all unrelated to ATPA, prevented final Congressional action on this critical legislation until now. Fast-track authority for the President expired 8 years ago. By empowering the President to negotiate bilateral and multilateral trade agreements, TPA will enable the President to eliminate trade barriers, reduce tariffs, and open foreign markets to American goods and services. American workers, farmers, businessmen, and consumers will benefit from the regional free trade areas such as the Free Trade Area of the Americas, and bilateral trade agreements such as those currently being negotiated with Singapore and Chile.

I repeat, a man is running for President of this country of Bolivia. One of his most popular themes is to reinstate the cultivation and growth of coca. If that man wins—and I do not question the will of the people of Bolivia, but it is clear that it would be a dramatic setback to our efforts to eradicate the growth of coca in that country.

In Peru, there are civil disturbances and the President of Peru, who is a good and decent man from all I can tell, is suffering enormously in popularity in polls.

Colombia is a nation with its very existence at risk due to civil war, a lot of that fueled by the cocaine trafficking, the growth of which begins in the country of Colombia.

Ecuador, next to Colombia, has felt many very devastating side effects of the war in Colombia and the effects on its own economy.

I mentioned Argentina, Venezuela, Guatemala are having difficulties; Honduras, Nicaragua; and even Mexico is having some difficulties because of the failure, in the view of many of the Mexican people, of President Fox in delivering on many promises he made when he ran for President of Mexico.

I cannot believe all of the troubles in our hemisphere, which in my view are more serious than they have been since the 1980s, on the absence of trade and the absence of renewal of the Andean Trade Preference Act. But in the words of the Presidents of these countries who visited my office, they said one thing: We do not want aid; we want trade. We want trade.

Now, I have heard many of the arguments about how the lumber industry or the steel industry or the textile industry, or any other, is being harmed because some of the imports are lower priced goods. Well, I am not a trained economist, but I know these cut flow-ers are less expensive. I know it costs less to build a house for the average citizens when the lumber is cheaper. It is easier to clothe people when the apparel is cheaper.

This protectionism which has characterized many of the actions of this body and the other body, and of the President of the United States, is harmful to average American citizens, many of whom do not make large campaign contributions, many of whom do not make huge contributions to the fundraisers. But they will pay more for the price of a house if we continue to protect lumber. They will pay more for an automobile if we continue to protect steel. They will pay more for clothes if we continue to protect the textile industry.

Are there people who are hurt by this free and open trade? Absolutely. That is why I have steadfastly supported insurance, job training, and outright assistance to any dislocated worker if the case can be made that that worker was dislocated or removed from their job because of a direct impact of trade.

I am worried about our hemisphere. There was a front page story in the New York Times a couple weeks ago about the failure of free market economies in our hemisphere and how average citizens of these poor countries have enjoyed the benefits of the increased economic benefits of free trade and a great discontent and unrest that exists in these nations. We should pay attention to the difficulties in our own hemisphere. There is no stronger supporter of the war on terror than this Senator and all of the American people.

We are going to have great difficulties because of one thing we have learned from the 1980s: That if governments are unable to satisfy the people, the people turn to other means to satisfy their legitimate yearnings and desires. We saw that manifested in guerrilla movements and armed insurrections in Central America and in Latin America in the 1980s, movements such as the Shining Path, the Sandinistas, and others. And the United States then expended a great deal of American treasure to try to prevent these movements from overthrowing legitimately elected governments.

I rise in strong support today of the Andean Trade Preference Act. I want to make it very clear that along with my support for free trade, I also am strongly supportive of and will continue to commit to any worker and his or her family who are dislocated by free trade. But to argue that we should not have free trade as a result of this is ignoring the larger picture, and that is goods and services ranging from flowers to apparel to many other products

are less expensive for average American citizens, thereby allowing American citizens to enjoy many of the things wealthier Americans are able to enjoy.

I want to warn my colleagues. We have a serious situation in our hemisphere. Enactment of trade authority for the President in the Andean Trade Preference Act will not turn that around immediately. But there is no doubt in my mind that we are on a path in our hemisphere that could lead to enormous challenges and difficulties in the months and years ahead. By passing the Andean Trade Preference Act and giving the President trade authority, I think we can at least start on a path to reversing some of the terrible misfortunes that have beset so many innocent people in our own hemisphere.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

UNANIMOUS CONSENT AGREEMENT—H.R. 5005

Mr. REID. I ask unanimous consent the cloture vote on the motion to proceed to H.R. 5005 be vitiated, there be a time limitation of 7 hours on the motion to proceed on H.R. 5005, the homeland defense bill, equally divided between Senators LIEBERMAN and THOMPSON for the proponents, and Senator BYRD for the opponents, or their designees; that the time begin on Tuesday, September 3, at 9:30 a.m., and the motion to proceed be the pending business at that time. I further ask unanimous consent that at the conclusion or yielding back of time, the Senate, without any intervening action or debate, vote on the motion to proceed to H.R. 5005.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DORGAN. Madam President, I listened intently to my colleague and friend from Arizona. There is no disagreement on the proposition that I want the benefits of international trade to accrue to American citizens, consumers who go to the store and want to buy the best possible product at the best possible price. There is no question about the doctrine of comparative advantage, in which each country, doing that which it does best and trading with other countries, promotes efficiency. There is no question about that, and that should not be the subject of this debate.

It is not that those of us who oppose fast track do not support free trade. But I want to tell you about the kind of trade I do not support. The most recent agreement that we negotiated in this country was with China. It was a bilateral agreement, prior to their membership in the WTO. Let me just take one small piece of that bilateral agreement with China and ask a question.

Our negotiators negotiated with the Chinese in this bilateral agreement, and they agreed to the following: After a phase-in period, the United States would impose a 2.5-percent tariff on

any automobiles manufactured in China shipped to the United States, and China would impose a 25-percent tariff on any United States automobiles shipped to China.

I am wondering, who in this Chamber would think that is a reasonable deal? We say to China: China, you have a \$70 billion trade surplus with us. We have a \$70 billion trade deficit with you. And by the way, here are some new terms on automobile trade. If you decide to build automobiles and ship them to our country, and we want to ship cars to your country—you have 1.3 billion people—we agree you can charge 10 times the tariff on United States cars going into China. Who thinks that makes sense? Where do these negotiators come from? Do they go to a school somewhere, a school that fails to teach them the basics of how you negotiate and what a fair trade agreement is about?

No one wants to discuss this. One of my colleagues said: I have half a notion to stay here and debate you.

I said: Gosh, I wish you would.

No one is interested in debating the issue of trade. There is the simplistic and thoughtless debate saying we are for free trade, we understand it, we see over the horizon, we understand the economy, and the rest of you are xenophobic stooges, and you don't know what you are talking about. That is the way the debate rages on the floor and in the Washington Post, with the same thoughtless drivel.

I come from a State that has a lot of family farmers. We have to find a foreign home for over half of what we produce. I am the last person in the world who wants to retard the movement of goods around the world. I believe in trade. I believe in expanded trade. But on behalf of our farmers, I demand the trade relationships with other countries be fair. It doesn't matter to me whether it is wheat or corn or soybeans, if we are going to have a trade relationship with someone, and we are going to connect with somebody, I want it to be fair. So let me describe a bit what I mean about fairness.

I mentioned Japanese beef. We ship a lot of Japanese cars into this country and good for us. If consumers want to buy them, that is good. They want access to that product. So I represent a lot of ranchers in North Dakota. They have a lot of beef to sell. Japan needs beef. So we negotiated a beef agreement with the country of Japan.

Madam President, 12 years after the agreement was completed, every pound of hamburger, every pound of T-bone steak that goes into Japan now has a 38.5-percent tariff on it; 12 years after our agreement, we have a 38.5-percent tariff. Should we be shipping more T-bones to Tokyo? You bet your life we should. Why can't we? The tariff is too high. That is after our negotiators reached an agreement with them. Do our ranchers have a complaint? I think so; I believe so because the trade circumstances with respect to beef to

Japan are not fair, and everybody knows it.

Let me show a chart that shows the EU's import barrier to U.S. eggs. If you are an egg producer in this country, in the United States, it is standard to wash eggs before shipment. So if you go to the store and buy a carton of eggs and open the carton, that is what it is going to look like. It is something you might want to crack and eat.

The European Union requires that imported eggs be unwashed, supposedly because their farmers are not in the habit of washing eggs. Therefore United States eggs cannot be sold in Europe at the retail level, because we wash our eggs. Is that a fair trade deal? If you were involved in selling eggs, do you think you would like what Europe is doing to us? I don't think so.

I mentioned yesterday the issue of \$100 million in United States beef that is banned in the European Union. We have a fairly significant trade deficit with Europe. You read the European press, they make it sound as if all of our cows have two heads—this grotesque creature we are trying to sell that is going to injure their consumers.

So we took the Europeans to the WTO court, the tribunal, and we said it is unfair, the \$100 million of United States beef we cannot get into Europe, and the WTO said: Yes, you are right.

So they said: Europe, you are going to have to allow that United States beef in.

Europe said: Go fly a kite. We don't intend to let United States beef into Europe.

So our trade negotiators got real gutsy for once. Our trade negotiators screwed up all of their courage and they said: Look Europe, if you don't play fair with us, we are taking tough action against you.

What did we do? We took action against them, by imposing tariffs on selected products. Do you know what EU products our negotiators chose to retaliate against? Our retaliation is on truffles, goose liver, and Roquefort cheese. That will scare the devil out of a trade adversary, won't it? If you have a trade relationship in which someone is unfair, you better watch out or we might take action against your goose liver or Roquefort cheese. Maybe I come from a small town and don't understand that, but I don't think that is going to strike fear in the heart of a trading partner who is being unfair to America.

Let's talk about the issue of potato flakes to Korea. What if you are a potato grower in the Red River Valley and you want to get potato flakes to Korea from which they make snack food? There is a 70 percent tariff trying to get potato flakes into Korea.

While we are on the subject of Korea, how about automobiles going into Korea? Last year, this country brought 618,000 Korean automobiles into our

marketplace to be sold to the American consumer. That is good for Korea. Korea produces a pretty good car, and they ship them into the United States, and United States consumers buy them.

Guess how many United States-manufactured cars got into Korea last year? It wasn't 618,000. It was 2,008. Why? Try to sell a Ford Mustang in Korea. They use all kinds of non-tariff trade barriers. This is trade in which the Koreans sell us 217 cars for every car we can sell in Korea—618,000 sold here, and 2,008 in Korea.

Is that because we don't make good cars? No. Is it because Koreans don't want American cars sold in Korea? Yes. It is that simple.

I mentioned stuffed molasses, which are used to evade U.S. tariffs on sugar. Brazilian sugar is sent to Canada. Then a Canadian company combines the sugar with the molasses. Then it comes into this country, and the sugar is unloaded. They get another load of sugar and bring it down with stuffed molasses in contravention of our trade law. It has been going on for a long period of time. We can't do a thing about it.

Trade problem? Sure, it is. If you are a sugar beet grower, is that a problem? You bet. Is anybody about to fix it? No. Nobody cares. Actually, the Senate version of the trade bill had a provision that aimed to fix this problem. But, like most other things of value in the trade bill, it was dropped out in conference. There is instead a placebo provision that means virtually nothing.

I mentioned a bit ago that China has this huge trade surplus with us, or we have a huge trade deficit with them. I noticed in the newspaper the other day that China is buying Airbuses from Europe. China has a lot of people. They need a lot of airplanes. The Airbus is deeply subsidized by the European governments. It is unfair competition for the Boeing Company, for example.

What is the remedy for a United States airplane manufacturer when the European company that is deeply subsidized by the European governments goes to China and sells them Airbuses, at the same time that China has this huge trade surplus with us?

We had a situation recently because of NAFTA. The administration says we must allow long-haul Mexican trucks into our country. Of course, the fact is that long-haul Mexican trucks are not inspected the way we inspect our trucks. Their drivers are not required to carry logbooks the way our drivers do. There is a lot of concern about safety when they come in and move around our country. They have been limited to a 20-mile distance from the border. Mexico said, apparently, that if we didn't allow long-haul Mexican trucks into our country, they were going to take action against us with respect to high-fructose corn syrup. I have news for the Mexicans. They have already taken action. We can't get high-fructose corn syrup into Mexico with any reasonable tariff because they are act-

ing in contravention of our trade laws and agreements.

The list is endless. I could go on for a long period.

We have a trade agreement with Canada. Clayton Yeutter went to Canada and negotiated a trade agreement with Canada. This agreement essentially sold out the interests of our American farmers. I am sure he received something from Canada—perhaps greater access by the financial service community, or something. In any event, immediately after the trade agreement was negotiated with Canada, our farmers saw an avalanche of Canadian grain being sold in our country at unfairly subsidized prices by a monopoly controlled by what they call the Canadian Wheat Board. We can't do a thing about it. We sent investigators to Canada to get information about the prices at which they were selling the grain. They thumbed their noses at us and said: We don't intend to give you any information about the prices at which we are selling it in the United States.

I rode up to the Canadian border with a farmer named Earl Jensen in a 12-year-old orange truck with a couple hundred bushels of durum wheat on the back, and we were stopped at the border despite the fact that all the way to the border we saw 18-wheel Canadian trucks coming into the country hauling Canadian wheat.

That is the kind of thing that angers the American people about trade.

We have a circumstance where we have this huge trade deficit. It is interesting. We talked about this in the debate. No one really wants to talk about this deficit at all. People just act as if it doesn't exist. People come out here and dance around for a while, talk about the wonders of global trade and how terrific it is, but they want to pretend it doesn't exist. There is this relentless griping about the trade deficit that is increasing year after year and that is hurting our country. We don't owe this money to ourselves as we do the budget deficit, we owe this money to other countries. This is a claim on our assets by other countries.

In May, the trade deficit was \$41.5 billion—just last month. And the trade ambassador has said that he is going to put our antidumping laws on the negotiating table. We have antidumping rules. They are not very well enforced. But we have them nonetheless. They are one of the few tools we have to fight unfair trade. And they are now on the negotiating table. There are discussions about their elimination. We are willing to get rid of them in future trade negotiations—in secret, because all these trade negotiations are in secret—willing to consider getting rid of our antidumping rules. We will be defenseless. We have a weakened 301, no section 22, and now we have antidumping rules on the table.

So where is the remedy for unfair trade? Under this trade bill, the only remedy for those who lose their jobs because of these trade agreements is

that we are willing to give you some health insurance—not all of it, but we are willing to pay 65 percent for some health insurance for you. Lose your jobs, and you'll get some trade adjustment assistance. You can go home and say to your spouse: Honey, I have lost my job. They are moving into Indonesia. They can find someone who works for 40 cents an hour. They don't have to have a manufacturing plant that is safe because they are not subject to all those darned OSHA rules. And they can dump the chemicals right in the streets, and they can pollute the air. They don't have to worry with that because there is no enforcement. And they can work 12-year-old kids for 12 hours a day, and nobody is going to say anything. Honey, I have lost my job, and it is going overseas. But, honey, there is good news here because the bill the Senate has been considering is going to get us a little health insurance.

They have even extended it now to farmers and ranchers who lost their farms and ranches. They get a little trade adjustment assistance as well, when they lose their farms.

Incidentally, they are also going to expand the training budget because they know we are going to lose some of these jobs. We are going to give some training to all the people forced out of their jobs. Just don't expect their new jobs to amount to much. Because good jobs are being driven out of this country by all these trade agreements.

It is interesting to me that there is no one in the debate who wants to defend the practices I have just described. All they want to do is chant. You can go to the street corners and hear chanting as well. Normally they have drum rolls and symbols, and they chant. We have the same exercise when we talk about trade—this relentless chant: "Free trade, global economy, free trade, global economy."

Is there anyone in the Senate who wants to say: Yes, let us have expanded trade, but let us demand on behalf of this country that we have tried rules that are fair?

This country got into a bad habit after the Second World War. We did it necessarily, and it was something which I would have supported if I had been here at that point. Just after the Second World War, we had a lot of countries flat on their backs. Trade policy for us was foreign policy. We said with all of these countries: Let us make concessions. Let us help them. We can do almost anything. We are the biggest, the best, the strongest, and we have the most. We can beat anybody in international trade competition with one hand tied behind our backs. So trade policy was then foreign policy. And that is fine.

For a quarter of a century, our trade policy was foreign policy. But then, those who were flat on their back became shrewd, tough international competitors: Japan, Europe, and others. Yet our trade policy did not become

trade policy or economic policy, it remained foreign policy.

For the second 25 years after the Second World War, we began to see this problem, a problem of gripping, relentless trade deficits. With Japan, it has been a trade deficit that has continued virtually forever—year after year after year after year—because they want to protect their economy and keep United States goods out, to the extent they can, and they want access to our marketplace with their manufactured goods.

And this country has said: Fine; that's a relationship that's fine with us.

It is not fine with me, and should not be fine with others, whose principal interest ought to be the economic future of this country, whose principal interest ought to be to have trade agreements that are mutually beneficial to both trading partners.

When I started talking, I talked about this Byzantine, twisted, perverted provision with China on automobiles. I did it for a reason.

I recognize that we do not have a lot of automobile trade with China. China has 1.3 billion-plus people. One would expect, as the Chinese economy advances, that the opportunities to sell automobiles in China could be significant. But our negotiators, for reasons I could never understand, said: Oh, by the way, let's make a little deal. Just as one part, one paragraph, in a big, long trade agreement, here is what we will decide on automobiles: China, you have a big trade surplus with us, and we have a big deficit with you, but if we ever have any automobile trade between us, you can go ahead and impose a tariff that is 10 times higher on United States cars than we would impose on Chinese cars.

We ought to find the person who agreed to that, and somehow put him out here on the Senate steps, and get a chair and sit beside him, and ask him to explain to us what school you go to, to learn that kind of nonsense, that kind of perverted sense of fairness.

I could describe paragraphs in every trade agreement in the last 25 years that have the same absurdities, the same unwillingness to stand up for American producers and American jobs, not at the expense of others, but just for the benefit of ours.

Somehow there is an embarrassment in this Chamber about standing up for this country's economic interests. Yes, it is in our economic interest to have a system in which U.S. consumers have access to lower priced goods from around the world. But it is not, and never will be, in our economic interest, if those consumers are out of work, if the jobs that provided the income that used to allow the consumers to take the goods off the shelf through their purchases have now gone to other countries because corporations, that at this point are no longer American citizens but international citizens, have decided they ought to produce where it

is very inexpensive to produce and ship their goods to the established marketplace.

That, inevitably, and, in my judgment, more significantly as the years go on, will erode our job base of good jobs. I am talking about manufacturing-sector jobs. No country will long remain a strong economic power, a world economic power, if it decimates its manufacturing base. Manufacturing is critical to our country's economy and to our long-term economic health.

There is a fellow in North Dakota who goes to county fairs and performs for money, and his name is John Smith. He has an act that he takes to county fairs, and they pay him for it. He takes old cars—gets some old wreck—and then he gins up the engine somehow, and then he goes and he jumps four or five other cars in front of the bandstand, wherever the county fair is. He calls himself the Flying Farmer from Makoti. He lives in Makoti, ND, and he farms.

So he has this act where he travels with these old cars and he calls himself the Flying Farmer. He is an interesting guy. He wanted to set the Guinness record in the "Guinness Book of World Records." And he is now in the "Guinness Book of World Records" for driving in reverse for 500 miles, averaging 38 miles an hour.

Now, you might wonder why I thought about the Flying Farmer from Makoti. I was thinking about going in reverse this morning, and I thought what better example of going in reverse than the Flying Farmer from Makoti and the Senate on international trade.

Year after year after year, we go deeper and deeper and deeper in debt. The current account deficit is somewhere around \$2 trillion at this point this year. When the year ends, we will be somewhere around \$450 to \$480 billion in merchandise trade deficit. And we have to pay somebody that, somebody living outside of our country. It injures our economy, it injures future economic activity, and yet no one really wants to talk much about it.

We are going in reverse. We are not making progress. Despite all of the protests by those who think this is a wonderful thing, the evidence is in.

With NAFTA, the last trade agreement with Canada and Mexico, we turned a small surplus with Mexico into a big deficit; we turned a moderate deficit with Canada into a big deficit. NAFTA was a disaster. We were promised that there would be 300,000 new American jobs coming from this trade agreement with Mexico and Canada. The fact is, we have lost somewhere around 700,000 jobs.

We were told by the economists, who thought they knew what would happen with Mexico, that we would simply get the products of low-skilled jobs coming into this country as a result of NAFTA. The three largest imports from Mexico are automobiles, automobile parts, and electronics—all products of high-

skilled jobs that used to exist in major centers of manufacturing in our country but now exist in Mexico.

We are not making progress. We are losing ground. That is the reason I oppose giving fast-track trade authority to this President. To suggest that we ought to ignore the Constitution—and, yes, we ignore the Constitution when we do this. The Constitution says that the regulation of trade with other countries is the province of the Congress—the Congress. And a majority of the Senate says: we have not seen your next trade agreement yet. We know you will negotiate it without us. We know it will be negotiated in secret somewhere. But we agree in advance, so whatever you do, whenever you do it, wherever you do it, we will handcuff ourselves so we are unable to offer even one amendment to change one word when it comes back to the Senate.

I think that is one of the goofiest propositions I have ever heard. It just makes no sense at all. Yet a pretty broad majority of the Senate agrees to it.

Well, let me make a final point.

The business community in this country and in this world have become international citizens. Multinational corporations do business all around the world. They do not get up in the morning and say: Look, my principal interest is the economy of the United States of America. That is not their principal interest. Their principal interest is to their shareholders. And their interest to their shareholders is to do, in international economic circumstances, the best they can to improve profits. If that means moving jobs from Pittsburgh to Indonesia, in order to take advantage of lower labor rates, and to avoid OSHA, and to avoid all the other things you have to comply with in this country, then that is what they do.

The problem is, this country, as a leader in international trade, has not described what fair competition is. We have never described, in the new global economy, what is fair competition. The global economy has galloped forward, but the rules have not kept pace.

It begs the question, for all of us, as a leader in world trade: What are the rules? What are the conditions? What is the admission price for the American economy?

I said earlier, if a company decides that it wishes to access the lowest possible labor rate anywhere in the world, and takes its corporate jet, and circles the globe, and looks down to see where they can possibly do that, and discovers a place where they can hire 12-year-olds, and they can work them 12 hours a day, and they can pay them 14 cents an hour, is that fair?

Then they ship the product of that labor to Fargo or to Denver or Fresno and put on it the store shelf, and someone says: Isn't that a wonderful thing? What a wonderful thing; you actually have a lower price for that product. In fact, some studies suggest that is not the case. The difference is made up in

profit for the corporation, not lower prices for the consumer. But setting that aside, people say: Isn't that a wonderful thing? That is lower priced than I expected.

Yes, that is good for the consumer, but it is also the case that the would-be consumer may well have lost his job because the production of that item no longer exists here.

I am not suggesting we should have the manufacturing advantage or capability for all products. I believe the doctrine of comparative advantage makes sense. If there is a country that can do it better, more effectively, has the natural resources more available than we do, one would expect they would do that which they do best. We do that which represents a natural advantage for us, and we trade back and forth.

But that is not the circumstance today. The natural economic advantage these days is instead a natural political advantage. A country says, our political advantage is we will allow you to hire kids. We will allow you to pay 20 cents an hour. We will allow you to dump your chemicals into the streams and into the air, and we will allow you to do this in a workplace that is not required to be safe. Those aren't economic advantages that somehow relate to natural advantages. Those are political advantages created by a government that says: We will not allow people to form unions or labor to collectively bargain or rules against children put in factories. Those are political judgments and political circumstances. There is no natural economic advantage there. My point is, we have to come to grips with this galloping globalism. We must do that in fairness to the American worker and to the American businesses. To do less than that means that we consign our economy to unfair competition in a dozen different areas.

Americans depend on us to represent our best economic interests, not some notion of what the economic interest is for a corporation that does business in every country and has no special interest or recognition in our economy or our economic growth or our workers.

I know we have a 30-hour postcloture period. Several of my colleagues will want to speak on this issue. I expect they will have significant votes for it today and those who vote for it will be back on the floor. I will be back on the floor of the Senate again with another chart, and we will talk about whether it is wise for the Senate, when it discovers that doing something isn't working, to continue doing it over and over and over again.

Most people learn by repetition. When you repeat something that has failed, most people understand that they want to do it differently. That is not the case with fast track and with our current trade policy.

I believe in expanded trade. I believe economies are strengthened by expanded trade. I believe our economy

and other economies of the world are strengthened by expanded trade. I don't want to put up a wall around our country. I am not an isolationist. But I believe very strongly there needs to be voices raised demanding fair trade rules. Whether it is China, Japan, Europe, Canada, Mexico, Korea, or others with whom we have very large trade deficits, we have a right as Americans, as producers and as workers, to expect our Government will represent our economic interests in demanding fair trade rules.

That has not been the case to date. I hope soon after this vote today, we will begin to see some effort on behalf of our country in demanding the rules of trade keep pace with the galloping pace of global trade. That is the only thing that will be fair to American workers and American companies.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. WELLSTONE. Madam President, if the Senator will yield for a second, I ask unanimous consent that I be allowed to follow the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Madam President, I thank my colleague from North Dakota. If the Senate had been in session listening and heard the persuasive argument made by the distinguished Senator from North Dakota and we had a vote, we would vote his way immediately because he has presented the case.

The only thing is, he has not presented the case in the stark reality that it really is. We are talking to a fixed jury. As an old trial lawyer for some 20 years, where I made enough to afford the luxury of serving here, I know how to talk to a fixed jury. Specifically, the contention in the trial of this case is that we have to give the President negotiating authority that cannot be amended; it is on a take-it-or-leave-it basis; and that the trading nations, some, let's say, 160, 170 trading countries, just will not enter into an agreement unless the President has fast track.

He doesn't want to go through the negotiation period and then find that his particular trade agreement has been amended on the floor of the Congress.

If you refer to the 2001 Trade Policy Agenda and 2000 Annual Report, which is the most recent, issued by the U.S. Trade Representative, turn to page 1 of the list of trade agreements. You will find, in essence, five trade agreements as a result of fast track, and thereafter some 200 agreements without fast track. The contention that you can't get an agreement unless you have fast track is totally absurd.

We have had the Tokyo round, and the United States-Canada Free Trade Agreement. Incidentally, this Senator voted for that because we have relatively the same standard of living. We have the labor protections. We have

the environmental protections. When you have a level playing field, I am delighted to vote for trade, and so-called free trade. But now, we have fixed trade.

That is what we are debating. This jury is fixed. We also had the United States-Israel trade agreement, which I also supported; NAFTA, which I opposed; and the Uruguay Round with WTO. Those are the five so-called trade agreements under fast track. But then turn the pages and continue turning, and there are some 200 trade agreements without fast track.

When I first got here, we had SALT I, and it was very complex. We had reservations and amendments on the floor of the Congress. We had a vote on that. We didn't have fast track for SALT I and fast track for SALT II and fast track for the chemical weapons treaty. The contention of the White House is you can't get trade agreements, but the President needs to look at his own book.

Mr. BYRD. Will the Senator yield?

Mr. HOLLINGS. I am delighted to yield.

Mr. BYRD. Is he telling me that trade agreements can be negotiated without this fast-track mechanism?

Mr. HOLLINGS. Yes, sir.

Mr. BYRD. Is that what he is saying?

Mr. HOLLINGS. I tell the distinguished Senator from West Virginia, they literally have almost a dozen and a half pages of all of these agreements, right here in the President's report, that were obtained without fast track.

Mr. BYRD. I thought the President was saying to the country that he has to have this fast-track thing that we will vote on today in order to negotiate trade agreements. Is the Senator from South Carolina telling me he doesn't have to have that?

Mr. HOLLINGS. No, sir, he doesn't. I can tell you now he wants the fast track for the fix.

That is the point I want to make. I can tell you right now. Let's look at the result of the so-called trade agreements. Look at 1992, and you find that the Foreign Trade Barriers of the Office of the U.S. Trade Representative is 267 pages long. Oh, we had WTO, we had GATT, we had NAFTA, and we did away with all the barriers. Why then is this year's Foreign Trade Barriers—458 pages long?

Like the monkey making love to the skunk, I cannot stand any more of this. I can tell you that right now. For Heaven's sake, don't give me any more free trade agreements or fast tracks. This would be the end of the argument, if you didn't have a fixed jury. What is better proof? I am using the President's proof. No. 1, he doesn't need fast track and, with fast track, we are actually going out of business.

Mr. BYRD. Will the Senator yield for a question?

Mr. HOLLINGS. Yes.

Mr. BYRD. What I have been hearing the administration say is that this is trade promotion authority. Does the

Senator mean to tell me here in front of the eyes of the Nation, the ears of the people, that the President doesn't need fast-track in order to negotiate trade agreements for the United States? Is that what the Senator is saying?

Mr. HOLLINGS. There is no question, Senator—

Mr. BYRD. That is not what the President has been saying, is it?

Mr. HOLLINGS. No. You bring out the point that this is bipartisan. President Clinton said he had to have fast track for NAFTA.

Mr. BYRD. We didn't give it, did we?

Mr. HOLLINGS. That is right. They said if we pass NAFTA we would get 200,000 jobs, but we lost 700,000 textile jobs. In the State of South Carolina, since NAFTA, we have lost more than 54,000 jobs.

Now, this farm crowd, they get their \$70 billion bill, and they come here blinking their eyes and talking about free trade, free trade. They get all the subsidies and protection—the Export-Import Bank, support payments, and everything else of that kind—and they run away with some \$80 billion. The poor, hard-working people, such as your mine workers and my textile workers—

Mr. BYRD. Yes.

(Mrs. CARNAHAN assumed the Chair.)

Mr. HOLLINGS. As the distinguished Senator from Texas always says, they are pulling the wagon, paying the taxes, keeping the country strong. We have removed 700,000 textile jobs alone. Akio Morita and I went to a seminar in Chicago almost 20 years ago, and they

were lecturing about the Third World countries, the emerging nations trying to become nation states.

Morita, then head of Sony, said: Wait a minute, in order to become a nation state, you have to develop a strong manufacturing capacity.

Then later, he turned and said to this Senator: Senator, the world power that loses its manufacturing strength will cease to be a world power.

I am worried about this country. I tell you, we have over a \$412 billion deficit in fiscal year 2002.

Madam President, I ask unanimous consent that page 1 and page 60 of the Mid-Session review on the budget just issued be printed in the RECORD.

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

SUMMARY

When this report was published last year, the nation was in the midst of a recession that, predictably, was already having detrimental effects on the government's finances. What no one could predict was that just 20 days later, a lethal attack on America would exacerbate the recession and trigger extraordinary military, homeland defense, and repair expenditures that would at least temporarily make an enormous difference in the fiscal outlook.

By the February 2002 submission of the Budget for fiscal year 2003, the budgetary effects of the recession and the war on terror were well understood. It was also becoming apparent that the flood of revenue that produced record surpluses in the late 1990s was driven both by underlying economic growth, the traditionally decisive factor, and, in ways no yet fully grasped, by the extraordinary boom in the stock market. The markedly greater dependence of revenues on stock market developments was not yet under-

stood by experts either inside or outside the government.

The economic recovery appears to be underway, the one-time costs of recovery are being paid, and the expense of war-fighting abroad and new protective resources at home have been incorporated in budget plans. Taking all these changes into account, the federal government is now projected to spend \$165 billion more than it receives in revenues in 2002, up from the \$106 billion projected nearly six months ago. Table 1 below comparing February and July estimates shows a return to the pre-recession pattern of surpluses in 2005, and growing surpluses thereafter. Future improvements, however, depend to a significant extent on two key factors: (1) restraint of the recent rapid growth in federal spending; and (2) a resumption of growth in tax payments produced by a stronger economy and a stronger stock market.

MOVING FORWARD AMID THE BACKDROP OF WAR

President Bush placed two purposes above all others in his 2003 Budget: Winning the war on terror and restoring the economy to health. On both fronts, initial progress has been encouraging. Military action in Afghanistan has depleted the ranks and greatly weakened the operational capabilities of the terrorists. On the economic front, the nation's gross domestic product (GDP) grew at an impressive 6.1 percent annual rate in the first quarter of 2002, making the recession both shorter and shallower than most and the early recovery far stronger than assumed in February's budget.

For the future, we can be certain only of the intentions of our adversaries and our own resolve to defeat them. We know neither the length of the conflict nor the budgetary expense of victory. Nor can we be certain the economy will not be weakened by further shocks. To preserve the flexibility to respond to future events while maintaining a fiscal framework that will return the budget to surplus, it is imperative that spending, . . .

TABLE 1.—CHANGES FROM 2003 BUDGET
(In billions of dollars)

	2002	2003	2004	2005	2006	2007	2003– 2007
2003 Budget policy surplus	–106	–80	–14	61	86	104	157
Enacted legislation	34	33	17	33	4	2	89
Supplemental and other adjustments to Administration policy	–13	–7	–6	–3	–4	–3	–25
Economic and technical reestimates	–80	–54	–45	–37	–26	–18	–181
Total changes	–59	–29	–34	–8	–26	–20	–117
Mid-Session Review policy surplus	–165	–109	–48	53	60	84	41

TABLE 20. FEDERAL GOVERNMENT FINANCING AND DEBT
(In billions of dollars)

	2001 Actual	Estimate					
		2002	2003	2004	2005	2006	2007
Financing:							
Unified budget surplus (+)/ deficit (–)	127	–165	–109	–48	53	60	84
Financing other than the change in debt held by the public:							
Premiums paid (–) on buybacks of Treasury securities ¹	–11	–4					
Net purchases (–) on non-Federal securities by the National Railroad Retirement Investment Trust		–6	–11	–*	*	*	*
Changes in: ²							
Treasury operating cash balance	8	–6	–5			–5	
Checks outstanding, deposit funds, etc. ³	–13	–12	10				
Seigniorage on coins	1	1	1	1	1	1	1
Less: Net financing disbursements:							
Direct loan financing accounts:	–19	–15	–15	–15	–15	–15	–15
Guaranteed loan financing accounts	–4	–2	3	3	4	5	5
Total, financing other than the change in debt held by the public	–37	–44	–17	–11	–9	–14	–8
Total amount available to repay debt held by the public	90	–209	–126	–58	44	47	76
Change in debt held by the public	–90	209	126	58	–44	–47	–76
Debt Subject to Statutory Limitation, End of Year:							
Debt issued by Treasury	5,743	6,155	6,535	6,897	7,195	7,506	7,805
Adjustment for Treasury debt not subject to limitation and agency debt subject to limitation ⁴	–15	–15	–15	–15	–15	–15	–15
Adjustment for discount and premium ⁵	5	5	5	5	5	5	5
Total, debt subject to statutory limitation ⁶	5,733	6,145	6,524	6,887	7,184	7,496	7,795
Debt Outstanding, End of Year:							
Gross Federal Debt: ⁷							
Debt issued by Treasury	5,743	6,155	6,535	6,897	7,195	7,506	7,805

TABLE 20. FEDERAL GOVERNMENT FINANCING AND DEBT—Continued
[In billions of dollars]

	2001 Actual	Estimate					
		2002	2003	2004	2005	2006	2007
Debt issued by other agencies	27	27	26	26	24	24	23
Total, gross Federal debt	5,770	6,182	6,561	6,923	7,219	7,530	7,828
Held by:							
Debt securities held by Government accounts	2,450	2,654	2,906	3,210	3,550	3,908	4,282
Debt securities held by the public ⁶	3,320	3,529	3,655	3,713	3,669	3,622	3,546

* \$500 million or less

¹ Includes only premiums paid on buybacks through April 2002. Estimates are not made for subsequent buybacks.² A decrease in the Treasury operating cash balance (which is an asset) would be a means of financing a deficit and therefore has a positive sign. An increase in checks outstanding or deposit fund balances (which are liabilities) would also be a means of financing a deficit and therefore would also have a positive sign.³ Besides checks outstanding and deposit funds, includes accrued interest payable on Treasury debt, miscellaneous liability accounts, allocations of special drawing rights, and, as an offset, cash and monetary assets other than the Treasury operating cash balance, miscellaneous asset accounts, and profit on sale of gold.⁴ Consists primarily of Federal Financing Bank debt.⁵ Consists of unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds) and unrealized discount on Government account series securities.⁶ The statutory debt limit is \$5,400 billion.⁷ Treasury securities held by the public and zero-coupon bonds held by Government accounts are almost all measured at sales price plus amortized discount or less amortized premium. Agency debt securities are almost all measured at face value. Treasury securities in the Government account series are measured at face value less unrealized discount (if any).⁸ At the end of 2001, the Federal Reserve Banks held \$534.1 billion of Federal securities and the rest of the public held \$2,785.9 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

Mr. HOLLINGS. Now you begin to see what I started to talk about—the corruption, not of Senators, but of the process. You and I saw the corruption of the process when they brought TV cameras in here. I first got here 35 years ago. If you wanted to know what was going on down on the floor, you had to go down on the floor. So you always had 20, 25 Senators in this cloakroom, 20 Senators over in that cloakroom; and a point was made that you could immediately go out and contest that point. Now I stay back in my office looking at my TV. I know that is wrong, and I should run over to the floor. But when I get here, two other Senators have been waiting for an hour as the next speakers. So there is no debate. The process has been corrupted, as the budget process has been corrupted.

Let me tell you exactly how it happened because I was chairman of the Budget Committee. I went over with Alan Greenspan in January of 1981 to brief President Reagan on the budget. He had pledged to balance the budget. He pledged, of course, tax cuts. He also pledged to balance the budget in 1 year. After the briefing, he said: Oops, this is way worse than I thought. It is going to take 3 years.

That is how we got into the 3-year budgets. And with Gramm-Rudman-Hollings, we got the 5-year budget, and now we have 10-year budgets. Whoopee, let's have a 20-year budget and make all kinds of happy projections and re-

elect ourselves. That is the corruption that has gone on.

After President Reagan came in, the Greenspan Commission issued their report on Social Security, making it fiscally sound. Section 21 of the Greenspan Commission report said: Put Social Security off budget.

As a former chairman of the Budget Committee and an old-timer, I worked with John Heinz from Pennsylvania, and we finally got it passed. On November 5, 1990, George Herbert Walker Bush—President senior Bush—signed into law, section 13.301 that says you shall not use Social Security in your budget. But we do. The President violates it, the Congress violates it, and, more particularly, the media does.

The distinguished Senator from West Virginia is so terrific on historical reference, and I must think at this moment of President Thomas Jefferson. When he was asked: Between a free government and a free press, which would you choose? He said: I choose the latter. So long as the free press tells the truth to the American people, the Government will remain free.

Why do they say on page 1, which we have just put into the RECORD, the deficit is \$165 billion? But on page 60, the deficit, the real debt we will spend in this fiscal year, Madam President, is \$412 billion more than we take in. Why? Because Mitch Daniels, our Enron accountant—wants to fool Americans. He is more interested in rolling out hundreds of millions of dollars in tax breaks for Kenny-Boy Lay.

Now, President Reagan, in trying to get both tax cuts and his pledge to balance the budget, got what he called “unified.” That was the biggest bunch of nonsense and charade I ever saw because it was all but unified. He just separated out the trust funds, including Social Security, and the civil service retirement and military retirees funds. He factored them out, and the next thing you know, we had unified.

Then, under President Clinton, we went to on-budget, off-budget, on-budget, off-budget. Then to continue the charade, under President Bush, we refer to it as public debt and Government debt, Government debt and public debt. They confuse the public in order to get reelected. They tell everybody Social Security is not spent. That is exactly what the Secretary of the Treasury said this last Sunday. He said that under no circumstance would we spend Social Security.

I almost went through the TV set when I heard him say:

Social Security moneys are never spent for anything except Social Security. It's a red herring.

CBO has already said we will owe not \$1.170 trillion, but \$1.333 trillion to Social Security. In fact, on page 44 of the Mid-Session Review you will see Mitch Daniels hides that fact. I ask unanimous consent that page 44 be printed in the RECORD.

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

TABLE 7.—BUDGET SUMMARY BY CATEGORY

[In billions of dollars]

	2002	2003	2004	2005	2006	2007	2003–2007
Outlays:							
Discretionary							
Defense	332	371	388	408	423	437	2,028
Nondefense	379	399	413	418	424	432	2,086
Subtotal, discretionary	711	771	801	826	847	870	4,114
Emergency response fund	36	17	8	3	2	1	30
Mandatory:							
Social Security	453	473	494	515	538	566	2,587
Medicare	223	232	242	260	282	307	1,324
Medicaid	147	161	173	188	205	223	950
Other mandatory	291	305	302	307	319	323	1,556
Subtotal, mandatory	1,114	1,171	1,212	1,270	1,345	1,419	6,417
Net interest	171	180	196	198	197	194	965
Total Outlays	2,032	2,138	2,217	2,298	2,390	2,483	11,526
Receipts	1,867	2,029	2,169	2,351	2,451	2,567	11,567
Surplus	-165	-109	-48	53	60	84	41
On-budget surplus	-322	-282	-236	-165	-176	-171	-1,031
Off-budget surplus	157	173	189	219	237	255	1,072

Mr. HOLLINGS. Madam President, you will see on page 44 that the Social Security moneys, to the tune of \$157 billion, is spent. It shows it in his own document. We need to catch these fellows. That is why I say the budget is corrupt.

Robert Kennedy, who used to sit at this desk, wrote a famous book, "The Enemy Within." I could write a book called "Your Best Friends and My Best Friends." The best friends are the Chamber of Commerce, the Business Roundtable, the National Manufacturers Association, and the National Federation of Independent Business. They are the enemy within for fixed trade. Yes, they want to export—export our jobs. That is what this is all about. Senator BYRD, over half of what we consume in this country is imported. Does the Senator realize that?

We import 56 percent of our optical goods; 80 percent of our watches; and 42 percent of our semiconductors. I thought we were in the age of high tech, high tech, high tech—that motor of growth, high tech, high tech. But we import 42 percent of our semiconductors.

By the way, out in Silicon Valley, they do not have health care, and I say to Senator BYRD, they do not have medical care. They are part-time workers. My friends at Microsoft had to sue to get health care. I would rather have a GE plant where they are making turbines and employee make \$24 an hour, than to have high tech, high tech plants, where people make \$12 or \$14 an hour. Don't give me this high-tech stuff.

This is all catching up with corporate America on the front pages. Corrupt executives are going to be indicted. The Justice Department has charged some executives already, but not Kenny Boy Lay, of Enron. You do not even hear about him.

The Commerce Committee brought the Enron and WorldCom crowds in for hearings. We also heard from David Freeman, of the California Power Authority. I wanted to know how Kenny Boy Lay could not have heard about the fraudulent pricing structure Enron had out there. I saw his wife on TV, who said Mr. Lay did not know anything. Mr. Freeman said he knew everything going on out in California, I can tell you that.

We have enough to bring charges. But that said, I am wondering and worrying about this because the fellow in charge of this, Deputy Attorney General Larry Thompson, used to worked at a law firm that represented Enron. And if you think we cleaned up corporate America the other day with the new accounting bill, we did not, because it did not include expensing stock options. We also need companies to change auditors every 5 years. If they do, then every 5 years you will have the auditors auditing the auditors. When you know that another audit group is going to come in behind you, you do not start any tricky stuff.

You are on trial. That is the quickest way to clean up the books.

I wanted to offer an amendment for that, but the leadership on both sides had it tabled. We have not solved that problem, but I will be back.

Back to the task at hand, we import 46 percent of our camera equipment; 93 percent of electrical capacitors; 55 percent of printing and related machinery; and already 36 percent of motor vehicles. That is a third of the vehicles Americans drive. Imported cars keep taking over the market here, they keep taking over the market. Also we import 62 percent of our motorcycles; over 50 percent of our office machines; 70 percent of our television sets; and 50 percent of our crude petroleum.

I ask unanimous consent to print this list in the RECORD.

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

<i>Commodity</i>	<i>Import percentage</i>
Optical Goods	56.5
Ball and Roller Bearing	28.4
Watches	80.8
Household Appliances	31.5
Air Conditioning Equip.	23.0
Semiconductors	51.2
Computers, Peripherals, Parts	56.5
Cameras and Equipment	46.8
Electrical Capacitors	93.5
Metal Forming Machine Tools	46.9
Mechanical Power Transmission Equip.	36.2
Printing and Related Machinery	55.2
Textile Machinery	58.3
Electrical Transformers	51.8
Motor Vehicles	35.6
Motorcycles	62.1
Office Machines	50.7
Televisions	69.2
Crude Petroleum	49.8
Steel Mill Products	21.3
Electric Motors	29.8
Consumer Electronics	95.5
TV and Radio Broadcasting	86.7
Printed Circuits	24.6

Mr. BYRD. Madam President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. BYRD. But don't we need this trade promotion authority? Don't we need this trade promotion authority to wipe out those deficits so we can start moving our goods, other than farm products and along with them, too, don't we need this trade promotion authority, I say to the Senator? "Trade promotion authority," that tells me it promotes trade.

Mr. HOLLINGS. I just read a list of products, showing how the fix is on with respect to trade. What they do is fix us. In other words, House members are elected every two years, so they have to explain their votes every 2 years. In the Senate, we just have to explain our votes every 6 years. So we do not have to explain too much.

On our side, the Finance Committee is either a bunch of oil people or farmers—and that is a fix. When you get that crowd in there, they will accept anything with regards to trade, which they did with this particular conference report.

Here is how they have fixed it in the past. In November of 1993, under fast

track, Rep. PETER KING helped President Clinton organize the GOP supporters of NAFTA. When Rep. KING went home and found the Army Corps of Engineers was reneging on a deal to dredge, President Clinton fixed the problem for him.

Lynn Martin, President Bush's Labor secretary, said that "If the president didn't make deals, they'd be saying he doesn't understand Washington."

Article I, section 8 of the U.S. Constitution, which the Senator from West Virginia carries in his breast pocket, says the Congress—not the President, not the Supreme Court—but the Congress shall regulate foreign trade.

Mr. BYRD. Right.

Mr. HOLLINGS. But here is how it is regulated. The President comes over and he gets this so-called fast track, which is fixed trade. So he gets a peanut butter deal, Durham wheat deal, orange juice deal, sugar deal, cucumber deal, beef deal, winter vegetable deal, frozen food deal, wine deal, and Honda auto parts deal.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From USA Today, November 18, 1993]

WHEELING, DEALING, TO ASSURE A VICTORY

(By Steve Komarow)

President Clinton couldn't get Rep. Clay Shaw's vote with a highway overpass, water project or federal courthouse. Shaw's demand was more personal: extradition from Mexico of the man accused of raping a 4-year old girl.

"I am now confident that the Mexican authorities will do everything in their power to see him brought to justice," said Shaw, R-Fla., as he announced his vote for the North American Free Trade Agreement.

The California child, now 5, is the niece of Shaw's secretary and "just a beautiful little girl," he said. Until NAFTA, it appeared unlikely her suspected attacker would be tried.

Mexico doesn't send its citizens to the United States for trial, despite the existence of an extradition treaty between the two countries.

But not Mexican Attorney General Jorge Carpizo has personally assured Shaw that they'll pursue Serapio Zuniga Rios and, if he's captured, extradite him.

Shaw's deal stood out among the flurry of bargains the White House struck to secure passage of NAFTA. But at least "it had something to do with Mexico," unlike many, said colleague Jim Bacchus, D-Fla.

More often, they fell in the traditional category of favors a president can bestow within limits of the budget.

The White House offered everything from presidential jogging dates to road projects during its final push.

Opponents screamed foul.

"It's obscene, this horse-trading of votes," said Rep. John Lewis, D-Ga., a "no" vote.

"We knew we couldn't compete. . . . We didn't have any bridges to give away," said former representative Jim Jontz, head of the anti-NAFTA Citizens Trade Campaign.

But the administration said it was just using whatever legitimate influence it had, at a time when it might do some good.

"I think when we end up, there's no cost to the Treasury," said Treasury Secretary Lloyd Bentsen.

A sheaf of last-minute side agreements was added, and promises were made to help the

wine, citrus, glass, sugar, peanut and textile industries.

Not only fence-sitters won concessions. The White House also took care of allies.

Rep. Peter King, R-N.Y., who helped Clinton organize GOP supporters of NAFTA, had gone home last weekend to find the Army Corps of Engineers was reneging on a deal to dredge an inlet in his Long Island district.

"I was endorsing him . . . and getting screwed by the administration," he said. "It was a bureaucratic foul-up, but it was putting me in a very awkward spot."

Not for long. King called the White House, explaining his predicament. "And yesterday they faxed us a signed copy of the agreement," he said.

Clinton's signature was all over Capitol Hill.

"I know that peanut growers are concerned about imports of peanut butter and peanut paste as well as quality," the president intoned in a typical letter to lawmakers with goober-growers in their districts.

Better to risk looking like a wheeler-dealer than to risk losing the critical NAFTA vote. And what's so bad about a little give-and-take?

Said Lynn Martin, President Bush's Labor secretary, on Larry King Live: "If the president didn't make deals, they'd be saying he doesn't understand Washington."

Quid pro quo: Who got what to win votes for the North American Free Trade Agreement, President Clinton has made side deals with members of Congress, promising benefits for their districts—mainly protecting the prices farmers and manufacturers get for their products. Some examples:

Peanut Butter the Deal: U.S. peanut growers claim Canada, with 25% of the U.S. market, evades trade barriers by processing peanuts from China and Africa. Clinton will seek limits on peanut butter and paste shipments to the USA if Canada doesn't cut back within 60 days.

Durum Wheat the Deal: U.S. producers of durum wheat, used in spaghetti and macaroni, complain Canadian growers get transportation subsidies. President Clinton promised talks with Canada and, if talks fail, said he'd seek limits on imports from Canada. Either way, the price would go up.

Orange Juice the Deal: Clinton would impose pre-NAFTA tariffs on frozen orange juice concentrate if Mexican shipments rise, pushing prices below a five-year average for five straight days. Also, he'll limit tariff reductions the administration would accept in free-trade talks with other countries.

Sugar the Deal: Mexico agreed to tighten controls on sugar and high fructose corn syrup exports to the USA. If the ceiling is exceeded, Clinton could impose tariffs. Also, Mexico pledged to prevent Mexican candy-makers from using corn syrup, which would have freed Mexican sugar production for export.

Cucumbers the Deal: Clinton would impose pre-NAFTA tariffs if Mexican shipments rise, pushing prices down. Also, he'll limit tariff reductions the administration would accept in talks with other countries.

Beef the Deal: New rules will keep Australian and New Zealand beef from coming though Mexico by requiring shippers to show where the animals were raised.

Winter Vegetable the Deal: Clinton pledged to diligently enforce NAFTA provisions that would allow reimposition of tariffs to protect against sudden import surges from Mexico of tomatoes, sweet corn and peppers.

Frozen Food the Deal: Clinton agreed to push for "country of origin" labeling on products like frozen broccoli. Unions complain many plants in that category have moved to Mexico in recent years to take advantage of Mexican vegetable production and cheaper labor.

Wine the Deal: Clinton would open negotiations to eliminate Mexico's tariffs more quickly than the 10-year phaseout NAFTA specifies. Trade Representative Mickey Kantor promised a new arrangement by May 1994.

Textiles, Clothing the Deal: Clinton promised to work toward a 15-year, rather than 10-year, phaseout of American textile quotas in global free-trade talks. Also, the Customs Service will step up enforcement of trade quotas.

Honda Auto Parts the Deal: The administration added a provision that will relieve Honda of paying \$17 million in duties on auto parts shipped from Canada to its assembly plant in Ohio since 1989.

Mr. HOLLINGS. The point is the fix is in. Members get all kinds of favors for their votes. I remember my good friend Jake Pickle got help with a cultural center down in Texas. I remember in northern California there were two golf games with President Clinton. Then there were two C-17s given down in Texas where they were making them, and on and on. Members who vote for trade get all the favors. They have already fixed this vote, and that is why you see the empty Chamber. They have made up their minds.

But the country is in trouble with a \$412 billion fiscal deficit, and we heard the figure by the distinguished Senator from North Dakota. Last month there was a \$41.5 billion trade deficit, so we are right at a \$500 billion current account deficit, with the outcome being a weakening of the dollar.

We now have high unemployment. We have a Secretary of the Treasury that says everything is fine. That is nonsense. They want more tax cuts. They cut \$1.7 trillion of the revenues and then wonder why at this time last year we were talking about a 10-year \$5.6 trillion surplus and now we have a \$412 billion deficit.

They try to blame that on the war. I think we ought to look at this particular article about the Office of Management and Budget.

Mr. HOLLINGS. Mitchell Daniels, on September 4, 2001—7 days before September 11—projected for fiscal year 2001 that our government would have the second largest surplus in history.

I have looked at the figures. Overall, 9/11 cost the government, and I say this to the chairman of the Appropriations Committee \$31 billion. Of that \$4 billion was during fiscal year 2001, and \$27 billion in this fiscal year. The war did not cause the supposed surplus to disappear.

We have always paid for our wars, but this President comes along and says we have a war on so we are going to have to run deficits, and incidentally the war is never going to end.

When we go home, Governors are struggling. Mayors are cutting back spending. They are having to layoff firemen and policemen. But in Washington, there is no tomorrow. We have a war on, so let's have some more tax cuts even with a \$412 billion deficit.

Wall Street talks about consumer confidence, but there is not confidence in the Government. On Wall Street,

they know those long-term interest rates are bound to go up. The Government is going to crowd in with its sharp elbows, borrowing the money to keep it going, crowding out business finance, running up the long-term interest rates. That is what is happening to the stock market. It is not another tax cut, for heaven's sake, that we need. The President ought to come back and go to work and cut out his fund-raising, for goodness' sake.

We have problems in this country. The biggest problem that is unmentioned, except by the Senator from Minnesota, the distinguished Senator from North Dakota, the Senator from West Virginia and others, is we are spending Social Security moneys.

The Enron accounting did not start with Kenny Boy Lay. It started with us 20 years ago. Infectious greed? No, Madam President. Infectious fraud, fraud on the American people.

I am not proud to say that, but the process has been corrupted.

I ask unanimous consent that this article in the Financial Times from 2 days ago be printed in the RECORD.

There being no objection, the article was ordered printed in the RECORD, as follows:

[From the Financial Times, July 30, 2002]

INFECTIOUS FRAUD

How can Americans be confident in the stock market and the country when everything seems to be one grand fraud? It seems as if every day another blue-chip corporation is under investigation. And somebody in Washington is cooking the books, when last year the US had a 10-year \$5,600bn surplus and this year it has an estimated \$412bn deficit.

Enron bookkeeping started in Washington. In 1983, the Greenspan commission restored the soundness of Social Security with a graduated payroll tax, meant to take care of the baby-boomers in this century. The commission's report required surpluses from Social Security to be put in an off-budget trust fund to be used for future generations. Back then Reaganomics, the policy of economic growth by cutting taxes, led to spending Social Security and other trust funds in order to say the deficit was decreasing, while it was in fact increasing.

President George H. W. Bush called Reaganomics "Voodoo". Now President George W. Bush is giving us Voodoo II. This Enron system of accounting hides the truth by juggling two sets of books. It is like paying off one credit card with another.

The Bush administration continues this charade by dividing the budget into public debt and government debt. Both debts combined constitute the total national debt. But Mr. Bush talks only about the public debt (the bonds and notes America issues) while hiding the government debt (the Social Security and other trust funds being raided). What Mr. Bush needs to talk about is the total national debt.

The budget committee tried to stop this charade in 1990 by passing section 13301 of the Budget Act, forbidding the president and the Congress from citing a budget that spends Social Security. But, no matter, the president, the Congress and the media—acting like Enron—violate section 13301 by spending Social Security and other trust funds and fraudulently reporting that they have not been spent.

The financial markets see this fraud. They know the government will need to borrow

money, coming into the market with its sharp elbows, crowding out business finance, stultifying the economy and causing long-term interest rates to go up. When Ronald Reagan came into office the interest cost on the national debt was \$95bn. By 2001 it was \$359bn—so every day the government borrows nearly \$1bn to service the national debt. This is outrageous waste. But the bigger outrage is the president, Congress and the media crying foul at Enron while engaging in the same type of fraud.

To expose this fraud, in 1989 a debt clock was erected near Times Square in New York. It spins like a speedometer reporting the combined public and government debt going up, up and away. In 2000, when the debt started coming down, the clock was turned off. But this month the government's office of management and budget released numbers showing an alarming amount of new red ink.

On page one of the mid-session review, the deficit was for this fiscal year ending September 30 will hit \$165bn. Of course, this is the "Enron figure" the government hopes everyone will use, not the real number. On the last page of the report readers can find that this year's true deficit is \$412bn, of which only \$27bn is due to September 11. The debt clock has been turned on again.

The true story of today's economic downfall began with candidate Bush in 2000. He stated that his first order of business as president would be to cut taxes. In office, Mr. Bush told the nation that not only was there enough money for a tax cut; there would also be money left over to pay down the debt, to protect Social Security and Medicare, and \$1,000bn for any special needs. The dam really broke in January 2001 when Alan Greenspan, chairman of the Federal Reserve, in a fit of irrational exuberance, cautioned that surpluses were growing too fast and we were paying down too much debt. With this blessing of tax cuts, Wall Street started selling. And in less than four months, we went from a \$2bn surplus in June 2001, when the tax cut was passed, to a \$143bn deficit on September 30 last year. Less than \$4bn of this was because of September 11.

In the 1990s, when we were paying down the debt with spending cuts and tax increases, America had eight years of the best economic growth in history. Mr. Bush's \$1,700bn tax cut has put the country into the ditch.

The president says we should not worry about deficits while there is a war on. There is no end to the war and he calls for more tax cuts. This requires further government invasion into the market, so the market stays on edge.

The US should freeze next year's budget at this year's levels, with the exception of defense and homeland security; cancel the tax cuts; and start, once again, paying down the debt. If Americans want to regain confidence in the stock market and in the country they should know the problem is infectious fraud, not infectious greed.

Mr. HOLLINGS. Here's another headline from July 31, "Automakers Get Even More Mileage From The Third World. Low Cost Plants Abroad Start To Supply Home Markets As Quality Picks Up Steam." And this one from the Los Angeles Times, "High-paid Jobs Latest U.S. Export." That is what we are exporting. That is what the people ought to be reading.

Understand that we are going out of business. Productivity is high, yes, of what we produce, but we are not producing anything. We are giving fast food to each other and going the way of England. At the end of World War II,

they said, do not worry, instead of a nation of brawn, we will be a nation of brains. Instead of producing products, we will provide services. We have heard that "service economy wag" in this Chamber. Instead of creating finances, we will handle it and be the financial center. They have the haves and the have-nots, and a bunch of scandal sheets and debating Parliamentarians. We are going the way of England. We are going out of business and nobody wants to talk about it because we have the campaign; we have lunch coming along.

I remind everybody what made this country great. It was in the earliest days—and this has to be included in the RECORD—under our Founding Fathers. The British said to our little fledgling colony, now that you have won your freedom, what you ought to do is trade back to the mother country what you produce best and the mother country will trade back what it produces best.

We were saved by Alexander Hamilton, who helped write the papers, his report on manufacturers. It is too much, I believe, to put in the RECORD, but in a line, he told the British, "bug off." He said, we are not going to remain your colony, importing the finished goods and just exporting our timber, our coal, our iron, our ore, our farm products. We are going to become a strong economy, a nation state.

The first bill was the seal of the United States of America, and the second bill on July 4, 1789, was a tariff bill, protectionism. These children run around on the floor hollering, "protectionism, protectionism." They do not know how the country was built. They have no idea of history, no sense of accomplishment. We did not pass the income tax until 1913. We built this strong United States of America with protectionism, tariffs.

Fast forward 100 years to Teddy Roosevelt, and Edmund Morris' book "Theodore Rex." We ought look at the turn of the century when old Teddy came in. The United States was already so rich in goods and services that she was more self-sustaining than any industrial power in history.

We are not today by any manner or means. We do not have a strong economy by any manner or means. Tell the Secretary of the Treasury.

Back then, we consumed only a fraction of what we produced. The rest went overseas at prices other exporters found hard to match. As Andrew Carnegie said, the "Nation that makes the cheapest steel has other nations as its feet." More than half of the world's cotton, corn, copper, and oil, flowed from the American cornucopia, and at least one-third of all steel, iron, silver, and gold did, too. The excellence of her manufactured products, guaranteed her dominance of world markets. That was in the early 1900s.

I went to New York recently on Amtrak's Acela. It is a train made in Canada. When I arrived at the station, the dogs that sniffed me were from Czechoslovakia. We are even importing the dogs. We don't have anything Made In America around here, other than a few politicians. I wish newspapers and politi-

cians could be produced overseas. If they were, we could straighten this country out overnight, I can tell you that right now.

Senator WELLSTONE, before you would be able to open up Wellstone Manufacturing, you would have to have for your employees a minimum wage, clean air, clean water, Social Security, Medicare, plant closing notice, parental leave, safe working place, safe machinery—on and on and on. Then the plant next door says: Wait a minute. I can go down to Mexico and pay workers 58 cents an hour and have to do none of that. And they go. Unless you follow, you will go broke.

The job policy in the Senate today is to export and get rid of jobs. I remember when Sam Ervin stood at that desk and we added \$5 billion for highway construction in the 1970s to create jobs that were needed.

Now, instead of creating jobs, we come in and have a welfare reform bill. They stand in the well and pride themselves, look, we have extended payments for unemployment; we are offering a little bit more for health care. They do not talk about creating jobs anymore. They present this as a welfare reform bill. I don't want welfare reform. I need to hold on to my job.

What happens to the some 54,000 textile workers in South Carolina? Washington said: Go global. Be like Mao Tse-tung and reeducate them if they lose their jobs. In my state, the mills that made the T-shirts, they get closed down. They had 487 employees. The average age was 47 years.

The Senate said: Let's retrain them for high tech. And tomorrow morning we have 487 expert computer operators. Are you going to hire a 47-year-old expert computer operator and take on their retirement costs and their health costs? Or are you going to hire a 21-year-old?

We brought in BMW to South Carolina, but we still have empty towns back home. A couple years ago, we had 3.2 percent unemployment. Now it's over 6 percent. In some counties, it is over 10 percent unemployment, and we have lost 54,000 textile jobs alone. There you go.

I regret the corruption and the fix. You talk about accounting corruptions, option corruptions; you talk about job corruptions. They could care less about the jobs. I can go right down, article after article, where the recovery will not reach.

We have corrupted the financial and fiscal affairs of the Nation. We have corrupted the economic base all on the premise that we need fast track because trade issues are very complex; whereas, one more time, Senator, I don't believe you were here, but in my hand is the trade policy agenda of the President of the United States, issued by the U.S. Trade Representative. To negotiate five trade agreements the President had fast track authority: Tokyo, NAFTA, U.S.-Canada, U.S.-Israel, the Uruguay, or WTO. But the next dozen pages contain some 200

trade treaties and agreements that have been entered into without fast track. They can do it, but we are in the hands of the Philistines, unless we can get corporate America to pull in its hold.

I do see a minor sign of hope. General Electric said they would start expensing their stock options. This is very different than the way GE's Jack Welch ran the place. I have the record here and his particular article I ask unanimous consent to have printed in the RECORD.

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

[From Business Week, Dec. 6, 1999]

WELCH'S MARCH TO THE SOUTH

(By Aaron Bernstein)

One of General Electric Co. CEO John F. Welch's favorite phrases is "squeeze the lemon," or wring out costs to maintain the company's stellar profits. In the past year, the lemon-squeezing at GE has been as never before. In a new, superaggressive round of cost-cutting, the company is now demanding deep price cuts from its suppliers. To help them meet the stiff goals, several of GE's business units—including aircraft engines, power systems, and industrial systems—have been prodding suppliers to move to low-cost Mexico, where the industrial giant already employs 30,000 people. GE even puts on "supplier migration" conferences to help them make the leap.

GE's hard-nosed new push could spark other companies to emulate its tactics. The supplier crackdown is reminiscent of a similar attempt by former General Motors Corp. parts czar Jose Ignacio Lopez de Arriortua. His efforts largely failed in the face of stiff supplier resistance. But if GE succeeds, other companies could be inclined to try again. GE officials at headquarters in Fairfield, Conn., say the business units are simply carrying out Welch's larger campaign to globalize all aspects of the company. Says Rick Kennedy, a spokesman at GE Aircraft Engines (GEAE): "We're aggressively asking for double-digit price reductions from our suppliers. We have to do this if we're going to be part of GE. GE's efforts to get suppliers to move abroad come just as World Trade Organization ministers start gathering in Seattle on Nov. 30. That timing could help make the GE moves an issue at the talks, where critics will be pointing to just such strategies—and the resulting loss of U.S. jobs to low-wage countries—as the inevitable fruit of unregulated trade. GE's 14 unions hope to make an example in Seattle of the company's supplier policy, arguing that its paving the way for a new wave of job shifts. They plan to send dozens of members to march with a float attacking Welch. PALTRY WAR CHEST. The campaign by GE's unions, which bargain jointly through the Coordinated Bargaining Committee (CBC), is also the opening salvo of bargaining talks over new labor contracts to replace those expiring next June. Because GE's unions are weak—fully half of their 47,000 members at the company belong to the nearly bankrupt International Union of Electronic workers (IUE)—they'll have a hard time mounting a credible strike threat. Instead, the CBC is planning a public campaign to tar Welch's image. They plan to focus on likely job losses at GE suppliers. The unions also suspect that GE may move even more unionized GE jobs to Mexico and other countries once it has viable supplier bases in place. "GE hasn't moved our jobs to Mexico yet because our skilled jobs are higher up the food chain," says Jeff Crosby, president

of IUE Local 201 at GE's Lynn (Mass.) jet-engine plant. "But once they have suppliers there, GE can set up shop, too." His members from parts supplier Ametek Inc. picketed the plant on Nov. 19 to protest GE's pressure on Ametek to move to Monterrey, Mexico.

Although it has never openly criticized Welch before, the AFL-CIO is jumping into the fray this time. Federation officials have decided that Welch's widely admired status in Corporate America has lent legitimacy to a model of business success that they insist is built on job and wage cuts. "Welch is keeping his profit margins high by redistributing value from workers to shareholders, which isn't what U.S. companies should be doing," charges Ron Blackwell, the AFL-CIO's director of corporate affairs. Last year, the AFL-CIO proposed a bold plan to spend some \$25 million on a massive new-member recruitment drive at GE, but the IUE wasn't willing to take the risk. So the federation is backing the new, less ambitious campaign that focuses on traditional tactics like rallies and protests. STRONG TIDE. GE's U.S. workforce has been shrinking for more than a decade as Welch has cut costs by shifting production and investment to lower-wage countries. Since 1986, the domestic workforce has plunged by nearly 50%, to 163,000, while foreign employment has nearly doubled, to 130,000 (chart, page 74). Some of this came from businesses GE sold, but also from rapid expansion in Mexico, India, and other Asian countries. Meanwhile, GE's union workforce has shriveled by almost two-thirds since the early 1980s, as work was relocated to cheaper, nonunion plants in the U.S. and abroad.

Welch's supplier squeeze may accelerate the trend. In his annual pep talk to GE's top managers in Boca Raton, Fla., last January, he again stressed the need to globalize production to remain cost-competitive, as he had done in prior years. But this time, he also insisted that GE prod suppliers to follow suit. Several business units moved quickly to do so, with GEAE among the most aggressive. This year, GEAE has held what it calls "supplier migration" conferences in Cincinnati, near the unit's Evendale (Ohio) headquarters, and in Monterey, where an aerospace industrial park is going up.

At the meetings, GEAE officials told dozens of suppliers that it wants to cut costs up to 14%, according to documents about the Monterrey meeting at Paoli (Pa.)-based Ametek, whose aerospace unit makes aircraft instruments. The internet report, a copy of which Business Week obtained, says: "GE set the tone early and succinctly: 'Migrate or be out of business; not a matter of if, just when. This is not a seminar just to provide information. We expect you to move and move quickly.'" Says William Burke, Ametek's vice-president for investor relations: "GE has made clear its desire that its suppliers move to Mexico, and we are evaluating that option. We have a long relationship with GE, and we want to preserve it."

GEAE officials argue that heightened competition leaves them no choice. Jet engines sell for less than they did four years ago, says Kennedy, the unit's spokesman. Almost all GEAE's profits have come from contracts to maintain engines already sold. And that business is getting tougher, with rivals such as United Technologies Corp.'s Pratt & Whitney laying off thousands of workers to slash costs. "This company is going to make its net income targets, and to do it, we will have to take difficult measures," says Kennedy.

Still, even some suppliers don't see the Mexico push as justified. They point out that GEAE's operating profit has soared by 80% since 1994, to \$1.7 billion on sales of \$10.3 billion. GE, they argue, is leading the cost cuts. "It's hard to give away 5% or 10% to a company making so much money when most of

the suppliers are marginally profitable," says Barry Bucher, the CEO and founder of Aerospace International Materials, a \$30 million distributor of specialty metals in Cincinnati. Nonetheless, Bucher says he's looking into a joint venture in Mexico in response to the demands from GE, his top customer.

The unions, for their part, worry that GEAE will follow in the footsteps of GE's appliance unit. To remain competitive in that low-skilled, low-margin industry, GE Appliances has slashed its workforce nearly in half at its Appliance Part facility in Louisville, to some 7,500 today. Much of the work has been relocated to a joint venture in Mexico. Union leaders have tried to stave off further job shifts by offering concessions. In early November, the company agreed to a \$200 million investment in Louisville in exchange for productivity improvements and lump-sum payments instead of wage hikes for its members. "We hope GE will see this as a solution they can adopt in jet engines and elsewhere," says IUE President Edward L. Fire.

Labor's new campaign may embarrass Welch and even prompt GE to tone down its demands on suppliers. But it won't rebuild the union's clout at the bargaining table the way a serious organizing drive might have done. Until that happens, Welch probably has little to fear from his restive unions.

Mr. HOLLINGS. Just two years ago Mr. Welch met with his suppliers and said to them: you will have to go overseas in order to make it. Unless you move to Mexico and cut your costs, you will not be a supplier of GE. Then he held seminars around the country for all the suppliers saying: Get out of the country, get out of the country, get out of the country.

Now, unless these industrial leaders gain a conscience and quit telling all the suppliers they have to go to Mexico or China; and quit telling their board of directors they have to go to Bermuda to avoid taxes, we are going to be in serious trouble. They need to help us rebuild the industrial strength of the United States of America.

But we are in a fix. The debate in the Senate is controlled. We already have cloture. People are ready to go home and pass over the responsibility.

Senator HELMS could not be here. But he and I wanted to get that printing, dyeing, and finishing provision in the Caribbean trade bill. They didn't want to do it. They had plenty of time to do it, but the Bush administration said: We can fix this and get the vote of the Congressman from Greenville—which they did. And he voted again for fast track. But now that we have the fast track he voted for, what we wanted for printing, dyeing, and finishing is out. It has gone to Andean countries.

When I was Governor of South Carolina, we had a contest for the slogan of an insurance company, Capital Life. We said:

Capital Life will surely pay, if the small print on the back don't take it away. That was the winning slogan, and that is what we have in Washington.

They have won out. We have lost the blooming stuff. They fixed the jury here, and they are all getting fattened up in order to win the next election.

But on how to win the economy and save this country—there is no interest. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Madam President, before the Senator from South Carolina leaves, I want him to know that normally I ask unanimous consent to follow and normally I might have gone back to the office and done some other things. But there are a few Senators I like to come out on the floor and listen to. The Senator from South Carolina is one of them.

He is the opposite of sterile and plastic and scripted and rehearsed. He is colorful, but, frankly, and more importantly, he is prophetic and he is right. In my years in the Senate, which is going on 12, there is not another Senator for whom I have greater respect. I mean that as sincerely as I can say it.

Mr. HOLLINGS. I thank the distinguished Senator. He is overgenerous to me. But I am trying to follow you and our hero, Senator Humphrey.

Mr. WELLSTONE. Madam President, building on the comments of the Senator from South Carolina, I really feel sorry for working people right now in our country. I just think they are getting pounded. I believe ordinary citizens are just getting pounded. For example, take Qwest workers in Minnesota. When Arthur Levitt was the Chair of the Securities and Exchange Commission several years ago, he tried to put into effect a rule that would have dealt with this conflict of interest situation. The Senator from South Carolina talked about this a few minutes ago. It would have prohibited the Arthur Andersen of the world from raking it in on these consulting contracts when they do an independent audit. He was stopped by too many Members of the House and Senate. But he did get a rule put into effect that they at least had to disclose their contracts.

With Qwest, as it turns out, in the year 2001 and 2002, by first a 6-to-1 ratio and then in 2002 a 8-to-1 ratio, Arthur Andersen was getting all kinds of money from these consulting contracts. I am not even sure what they did for all this money—6-to-1 to the actual money they got for the independent audit. So you know you don't bite the hand that feeds you. They didn't do an independent audit. And all of a sudden we find out Qwest was short quite a bit of money.

Above and beyond that—I am just going to give this context—above and beyond that, the management of Qwest tells the workers and the investors—a lot of little people are investors—we have had this company audited. Our auditing company wants to be clear with you that we have had this independent audit that we can vouch for, so on and so forth. But it turns out at the same time the actual audit committee did not say that. They actually do not say that they can, with 100-percent assurance, say this is a completely independent audit.

At the same time that this is being said, the CEOs are dumping some of their stock. And at the same time, too much of the workers' pension plan is invested in stock in the company, trying to be loyal workers, and they are locked in, and no one is helping them out. Now you have a lot of people out of work and, in addition, they have seen a lot of their pension plan eroded in value.

That is the story of a lot of people in the country who are not part of lobbying coalitions in Washington, not big investors, not heavy hitters, not well connected. I really feel sorry for working people. Frankly, I think this piece of legislation is yet another example of pounding a lot of regular people—regular people, ordinary citizens. I don't mean it in a pejorative sense, I mean it in a positive way.

One good thing that came out of conference is that there are some additional health care benefits for some of our older steelworkers—some of our retirees, some of our older steelworkers. That is good. But as I look at what happened in this conference committee, this bill is infinitely worse. This trade promotion authority bill is infinitely worse than when it left the Senate.

There was the Dayton-Craig amendment. I am very proud of the Senator from Minnesota, MARK DAYTON, for his work, so that any Senator would have been allowed to raise a point of order to any part of the trade agreement that would weaken U.S. trade remedy laws such as section 201, saying: Look, we are not going to give up our right to protect working people. If you have a trade agreement that basically undercuts our trade remedy laws, we are not just going to forfeit our responsibility to come out here on the floor and challenge that. We have to represent people back in our States.

That passed in the Senate but was taken out of the conference report. I wonder why.

Then my colleague, Senator HARKIN from Iowa, who has such passion about the exploitation of children, working God knows how many hours a day for so little wages—he had language that would have prohibited the use of exploitative child labor among our trading partners. That was taken out of the conference report.

I had an amendment that said our trading partners ought to respect human rights—would respect human rights. That was taken out of the conference report.

I had another amendment that said: Let's do a real jobs impact analysis. Let's really find out what is going on. Sometimes ignorance is not random and people don't want to know what they don't want to know.

Recently the Economic Policy Institute noted:

NAFTA has contributed to rising income inequality, suppressed real wages for production workers, weakened collective bargaining powers and ability to organize unions and reduced fringe benefits.

We are talking about a net total of 3 million actual and potential jobs lost in the U.S. economy from 1994 to now. But the provision I had in the legislation was also taken out in conference.

This administration is gung ho on commercial property rights. They want to make sure they are fully protected in our trade agreements. This administration is gung ho on all the big financial institutions and all the big multinational corporations. That is where they raise their money. A lot of the key positions in the administration come from this background. A lot of their task forces are disproportionately made up of such people—you name it. They are gung ho when it comes to the commercial property rights of multinationals and big financial institutions. But when it comes to labor, when it comes to environmental, when it comes to human rights, they are nowhere to be found. I think that is wrong. I think it is profoundly wrong. And I think it is tragic that so many Democrats are not out here on the floor fighting for these rights.

I think the vast majority of people in Minnesota and the vast majority of people in the country would say we do not want to put walls up at our border. I get so angry at the charge: You are an isolationist. My father was born in Odessa, fled persecution in Russia, spoke 10 languages fluently. I grew up in a home that made me, by definition, an internationalist. My mother's family was from Ukraine. She was a cafeteria worker. I grew up in a family that emphasized that we live in a world and we ignore that world at our peril, and also emphasized being there for working people.

That is not the question. The question is whether or not we have trade agreements that respect basic human rights, that lead with our values as Americans, and that focus on promoting democracy. If we, as a country, can't promote democracy and human rights, who are we? That really protects little children, and says it is wrong to have a 9-year-old working 19 hours a day for 30 cents hour; that also says there should be environmental standards; there should be fair trade; do not put our workers in the position of when they try to organize or do organization and bargain collectively for better wages for their families, companies say, no, we are leaving, we are going to Mexico. When those workers try to organize, companies say no, we are going to leave and go to South Korea, or Indonesia. Then those companies say to those countries, if you should pass any legislation that would give workers the right to organize, or have environmental standards, or have child labor standards, we will not invest in your country.

Where are the values that promote the good standard of living for families in our country and families in the developing countries as well?

There was a Washington Post piece entitled "Worked Till They Drop: Few

Protections for China's New Laborers." The article is heartbreaking. It tells of the death of Li Chunmei. I quote:

Coworkers said she had been on her feet for nearly 16 hours, running back and forth inside the Bainan Toy Factory, carrying toy parts from machine to machine. When the quitting bell finally rang shortly after midnight, her young face was covered with sweat.

This was the busy season, before Christmas, when orders peaked from Japan and the United States for the factory's stuffed animals. Long hours were mandatory, and at least two months had passed since Li and the other workers had enjoyed even a Sunday off.

"Lying on her bed that night, starting at the bunk above her, the slight 19-year old complained she felt worn out, her roommates recalled. Finally the lights went out. Her roommates had already fallen asleep when Li started coughing up blood. They found her in the bathroom a few hours later, curled up on the floor, moaning softly in the dark, bleeding from her nose and mouth. Someone called an ambulance, but she died before she arrived."

The article goes on to say that what happened to Li "is described by family and friends and co-workers as an example of what China's more daring newspapers call *guolaosi*. (GO-LAO-SI). The phrase means "overwork death," and usually applies to young workers who suddenly collapse and die after working exceedingly long hours, day after day.

Can't we with our trade policy lead with our values? Can't we promote human rights? Can't we protect children? Can't we promote protection of the environment? Can't we protect the rights of working people to organize and bargain collectively?

I could read from the State Department report in country after country after country—in Colombia, there are so many examples of workers who have been murdered for trying to join a union; same sort of coercive practices that workers in Mexico have experienced for years. Certainly that is the case in China. And the list goes on and on.

I believe that most Americans believe trade policy should be about promotion of human rights. Trade policy should be about respect for human rights. Trade policy should be about promoting a decent fundamentally good standard of living for Americans as well as our brothers and our sisters in other countries as well.

What this piece of legislation says to me, as a Senator from the State of Minnesota, is that I have to forgo my constitutional rights to represent people in my State. When I see a trade agreement that overturns or overrides consumer protection in Minnesota, environmental protection in Minnesota, and workers' rights in Minnesota, I don't have the right to come out here and challenge that? I don't have the right to come out here with an amendment?

I didn't vote to give fast-track authority to President Clinton, and I am certainly not going to vote to give fast-track authority to President Bush. I will say it on the line. I have seen what

this administration has done with repetitive stress injury. I have seen the way in which they overturned an important rule to protect people. I have seen what they have done when it comes to practically nothing by way of making safer workplaces for people. I have seen what they have done which amounts to practically nothing when it comes to mine safety issues. I have seen what they have done in trying to go after prevailing wages. I have seen what they have done in terms of one antilabor initiative after another. I have seen what they have done when it comes to a lack of commitment to people being able to organize and bargain collectively and labor law reform.

Frankly, I wouldn't for anything in the world give away my right to represent Minnesota and to represent workers and to represent unions. I am a proud labor Senator. I am a proud Senator who represents working people. You want to know something else. The best thing is there are a lot of people in the business sector who feel the same way.

I think exports are so critically important to our economy and very important to Minnesota. We do really well. I think imports are good because imports mean our companies have to compete. We should have that competition.

The only thing I want to see is some rules that go with this new global economy. I want to see fair trade. I want to see a global economy that does more than just promote the interests of multinational corporations. I want to see a global economy that promotes the environment. I want to see a global economy that promotes human rights. I want to see a global economy that promotes democracy. I want to see a global economy that protects the interests of working families in Minnesota and all across the country.

That is what I speak for. That is what I fight for. That is what I believe in. That is why I believe that this piece of legislation, which will pass overwhelmingly, is so profoundly wrong and so profoundly mistaken.

I feel sorry for working families today. They are getting pounded. I think we should do a better job of representing them.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MILLER). Without objection, it is so ordered.

Mr. REID. Mr. President, earlier today a number of the minority held a press conference. I have not spoken to Senator DASCHLE, but I know what took place at that press conference. It was all directed toward TOM DASCHLE. I think it was so unfair what they did.

They went to some printer and got a little thing printed up, and they passed this out to the press as a progress report on what has happened in the Senate.

Of course, they selectively picked some things that are not totally completed at this time. But it is interesting how they did this. For example, they talked about judicial nominations. I talked to Senator LEAHY yesterday. I think we have done 73, or something like that, judicial nominations—way ahead of what has ever been done before. We have a batch of them we are going to do today.

They complained about the Defense appropriations conference, that it is incomplete. We just finished the bill yesterday, Mr. President, in record time. Senator STEVENS and Senator INOUE did this in record time. The largest Defense bill in the history of the world, and we completed it yesterday in record time.

Homeland security, we have worked out an arrangement that we are going to go to that immediately when we return. The minute we get back here there will be a debate on that and we will be on the bill on Wednesday, the second day we are back.

Prescription drugs, they criticize Senator DASCHLE for not doing something on prescription drugs. I will tell you, that takes a lot of nerve, a lot of nerve, because we all know that there was, first, the Graham-Miller, and then we tried to do something less than that to try to develop a consensus here. I mean, we spent almost 3 weeks on that bill.

So I guess the best offense, in their mind, is what you do when you are on the defensive—energy, complaining about that.

The fact is, Mr. President, that in addition to this "progress report" that they made, a "report card" to the majority leader, one of the things we picked up, as they were hurrying out of there—because some, of course, are going to go away to the beach this summer, or at least part of the time—and we found—it just happened to fall out—a list of what they are going to be reading this summer.

I don't know, I guess, in a rush to get out of here, someone from the minority side must have dropped their required reading assignment for this summer. But in the interest of making sure all are aware of these reading assignments, I would like to read a list of books the GOP leadership has assigned to its caucus.

The first isn't a bestseller yet, but it possibly could be. It is called: "Paying U.S. Taxes is for Suckers: A Guide to Offshore Banking in the Cayman Islands and Bermuda."

Another book is: "Grapes of Wrath 2002: How to Let Medicare Wither on the Vine."

Another book that I am fascinated with—I think I will take a look at it—is: "See No Evil, Speak No Evil, Hear No Evil: Economic Leadership for the Enron Era."

A book: "Master of the Senate Republicans: How Drug Company Cash Killed the Prescription Drug Benefit," or one that should be pretty exciting is: "Drilling Our Way to a Cleaner Environment," or "Sea Dick Run . . . From Haliburton Accounting," or "The Art of Timely Self-Promotion by Harvey Pitt (includes a foreward on securing non military burial rights at Arlington Cemetery)."

Another, Mr. President, is: "How to Succeed in Business Without Really Earning: The Inside Story of [the] Harkin Energy [Company]."

And then the final book they put on the list—I am not sure the order is appropriate—is called: "Someone to Watch Over You: The John Ashcroft Story."

In all seriousness, Mr. President, everyone can play these games about what has not been accomplished, what has been accomplished. But we have really worked hard to try to come up with legislation, and we have done a lot. People have to understand how much we have been able to accomplish. The country, the people of Missouri, Georgia, Nevada, all over this country, should be proud of the work we have done.

The rules in the Senate were not developed yesterday. They have been here for more than 200 years. I have to tell you, it is hard. I served in the House of Representatives. The Presiding Officer served in the State legislature in Georgia, was Governor of the State of Georgia. The rules are not the same.

For example, Mr. President, the State of Nevada met on Monday, a special session of the Nevada State Legislature, called by the Governor. Why? Because we have, in the State of Nevada, a medical malpractice problem. And, you know, they handle it in the State of Nevada where it should be handled. And they did. They finished at 4:15 this morning. They now have, for the Governor to sign as soon as he wakes up this morning, the bill. We have a new medical malpractice law in the State of Nevada. But they did it in 3½ days. Here that would take 3½ weeks. But that is the way it is.

The U.S. Senate has these rules, but we have been able to do a lot. I repeat, our country can take pride in what we have done.

Let me talk about a few things: Antiterrorism use of force resolution; immediate \$40 billion response to terrorist attacks; defense/homeland security appropriations, significant ones; supplemental Defense appropriations; the United States Patriot Act; airport, border, and port security; terrorism insurance, which we passed out of here—it was tough; we finally got a conference report on that—support for the airline industry; economic stimulus, which included unemployment insurance.

We passed a Patients' Bill of Rights; corporate and auditing accountability, the Sarbanes bill; greater access to affordable prescription drugs. We worked

so hard on that, Mr. President. As the Presiding Officer knows, we did not get everything we wanted, but we passed something dealing with generic drugs, dealing with giving the States help that they need so badly with their medical problems. That is all in this bill we passed yesterday. In that bill was prescription drug reimportation to reduce costs. Fiscal relief to States is in there. I have just talked about that. The trade bill, some like that a lot. It is going to pass sometime today.

We have had campaign finance reform; election reform, as I have mentioned, judicial confirmations; clean water and brownfields revitalization.

This brownfields bill is so important. We learned that we could not completely revamp and renovate and change Superfund legislation, but we learned there are things we could do. There are brownfields sites, industrialized sites in our States that are not really in bad shape. Maybe they had a dry cleaning establishment there.

Under the brownfields legislation, we can come in and take care of that. It is happening all over the country. In Nevada alone it is going to create thousands of new jobs, some of them at shopping centers where we had dry cleaning establishments and lenders stayed away. They didn't want the Superfund liability. We took care of that with this legislation.

There was education reform; that certainly was done. We passed the energy bill; that is now in conference. I am a member of the conference, chaired by Mr. TAUZIN of Louisiana. We finished all the secondary items this week. As soon as we get back, the first week, we will see if we can work our way through that. I believe we can.

We passed a huge farm bill that was so difficult but so important, especially for various sectors of our country. Then we passed the Defense authorization. And we will pass, in just a little while, the largest appropriations bill in the history of the world.

We have done a lot. I don't think we need to talk about TOM DASCHLE's report card. He has done a good job. He has been a magnificent leader.

I wish we wouldn't do this. It is not good for the whole body politic. It does not help. TOM DASCHLE is somebody who is respected. Why? Because he is a quick learner. He is totally ethical. He works tireless hours. He tries to be fair to everybody. We don't need this kind of stuff. We don't need these readings lists.

Anybody who comes out here and slaps around TOM DASCHLE, I will slap back. They can have the report cards. They can have all their progress reports they want. I will come back. I am not going to let these scurrilous attacks on a fine man go unanswered. If they don't want to hear about their reading list, then leave TOM DASCHLE alone. If there is something they don't like that is going on, do it right here. This is the place to do it, where we can have a good debate and go on to something else. I hope we can do that.

These were not Democratic accomplishments alone, although I will take credit for what we have done. But we have been able to do them because you don't do anything here alone. We have passed these. We should be proud of this. It is good for the country. We don't need any more of this.

Mrs. CARNAHAN. Mr. President, I ask unanimous consent to speak as in morning business for up to 10 minutes for the purpose of introducing a bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Missouri is recognized.

Mrs. CARNAHAN. I ask unanimous consent that the time used be counted against my hour postcloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mrs. CARNAHAN pertaining to the introduction of S. 2842 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. CARNAHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I see a Senator on the other side who is prepared to speak. Does he wish to speak immediately? What is his situation?

Mr. BROWNBACK. Mr. President, I would like to speak on TPA at sometime during the debate for around 7 to 10 minutes. But the senior Senator from West Virginia was in the Chamber preceding me, so I will recognize his attendance here and his seniority.

Mr. BYRD. I thank the Senator. He would need 7 minutes?

Mr. BROWNBACK. That is approximately the amount of time I would speak.

Mr. BYRD. Mr. President, ordinarily I would suggest that the Senator take his 7 minutes now. My speech is probably going to be 45 minutes or longer, and I understand there is a vote scheduled for 2 o'clock; is that correct?

The PRESIDING OFFICER. At 2 o'clock, we will consider the Department of Defense appropriations bill.

Mr. BYRD. There is not a vote at that point?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Very well. Mr. President, I have the floor, do I not?

The PRESIDING OFFICER. The Senator has the floor.

Mr. BYRD. I have an hour under the cloture motion?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, I yield to the distinguished Senator for 7 minutes.

Mr. BROWNBACK. I will try to do it in around 5 minutes.

Mr. BYRD. I yield for no more than 7 minutes on his time, but I retain my right to the floor.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. BROWNBACK. Mr. President, I thank the Senator for his courtesy. I want to talk about trade promotion authority, and I appreciate very much the Senator's graciousness.

I met yesterday with members of the administration at the U.S. Trade Representative's office in the Department of Commerce and the President of the United States. I stated to the President that I don't think there is another thing we could do in the near term for us to be able to grow this economy that would be more important than to pass trade promotion authority. I think it is that critical a piece of legislation for us to stimulate the economy. At this point in time, this is critical for us to do.

We received economic figures today that showed anemic growth in the last quarter—1.1-percent economic growth. We need to do everything possible to stimulate this economy. Trade promotion authority is the lead piece of legislation that we can do to expand the trade opportunities for this Nation. I strongly believe that.

I have worked in the trade field. In 1990 and 1991, I worked in the U.S. Trade Representative's office when we were beginning the negotiations for the NAFTA treaty—certainly a treaty that is not perfect, but one that has expanded trade opportunity and has grown the economy of the United States. The United States has an international economy. From that, I mean to say we have an economy that is based substantially upon trade. My State has an economy that is based substantially upon trade. My family is dependent substantially upon trade. We are in agriculture. We produce grains, cattle, and these are things in which we have a significant trade market.

Trade promotion authority will allow the President to negotiate trade agreements and trade tariff agreements that will reduce tariffs. I think people need to recognize that a tariff is a tax. So this will be a tax reduction treaty. It will also open up trading opportunities for the United States and for our trading partners. One of the lead ways we can grow it is by doing this. What trade does when you lower tariffs, lower the barriers to trade, is it allows people to compete based upon the theory of comparative advantage and who can do the best and more.

Fortunately for the United States, we have comparative advantages in main economic fields. So we are going to be able to compete more aggressively with more countries because there will be fewer barriers. The United States also has one of the lowest trade barriers. We have fewer barriers to trade in the United States than most nations.

With this trade promotion authority, we are going to be able to negotiate

trade-opening agreements with a number of countries around the world. It is going to reduce barriers in other nations more than in the United States for their incoming products. We are going to have more ability to go there, and that will expand because of the comparative advantages of the U.S. economy in producing goods and services—though not all goods and services. There are going to be problem areas that we will need to protect in our economy because of difficulties we have, or subsidies in other countries, or because of things they do trying to block our products. We may have to respond in kind at times.

The administration is aware of that. They are seeking this authority. It is an authority that we need to grant to the administration. I think with it we are going to see substantial trading blocs expand for the benefit of the United States. We have a NAFTA trading bloc of Canada, the United States, and Mexico. I see that expanding. The administration is pushing to expand to Central America and South America, so we have an entire Western Hemisphere; North and South America will be in one open trading type of bloc.

We are also being pursued by other countries to expand trade opportunities with them. These hold substantial opportunities for us to grow. But without trade promotion authority, the agreements will not happen.

For those reasons, I am a strong proponent of trade promotion authority. I believe it is important for us to have. I think this is the right time and place for us to do it. This country needs to let this President have trade promotion authority so we can expand agreements. So I will be voting for TPA. I urge my colleagues to do so as well.

With that, I thank the Senator from West Virginia for allowing me this time. I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. REID. Will the Senator yield for a unanimous consent request?

Mr. BYRD. Yes, I yield.

Mr. REID. Mr. President, I have spoken with the distinguished President pro tempore of the Senate, and he has indicated his remarks will probably take 50 minutes or thereabouts.

Mr. BYRD. Yes.

Mr. REID. I, therefore, ask unanimous consent that the defense matter which is now scheduled to begin at 2 o'clock, that time which is encompassed in the unanimous consent agreement, be delayed to begin at 2:20 p.m. today rather than 2 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. So the President pro tempore can use his time postcloture and can come back later.

Mr. BYRD. Mr. President, I thank the distinguished majority whip. As always, he is most gracious, most considerate, and most courteous. He also wants to be helpful.

Mr. REID. I thank the Senator.

Mr. BAUCUS. Will the Senator yield for a unanimous consent?

Mr. BYRD. I yield to the distinguished Senator for a unanimous consent request provided that my speech does not show an interruption and that I retain my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. I ask unanimous consent I be able to speak for 7 minutes concluding the remarks of the distinguished Senator from West Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, in the dead of night, under cover of darkness, near the bewitching hour of midnight on July 25, 2002, House and Senate conferees reached agreement on a new trade bill. The White House embraces this new trade bill, not because it contains trade adjustment assistance—no, no, no—but because it provides the President with fast-track negotiating authority. The administration likes to refer to it as trade promotion authority—that is an old Vaudeville trick—trade promotion authority.

This is fast-track negotiating authority that the President wants, but he does not call it fast track. He wants to call it "trade promotion authority." That sounds good. That has a sweet ring to my ears—trade promotion. Who would not be for trade promotion? The President knows how to frame these terms in ways one may be lulled to sleep—trade promotion authority—but it provides the President with fast-track negotiating authority, fast track.

As we all know, the real effect of fast track is not to promote trade—no, no, no—not to promote trade but to prevent amendments to trade agreements. That is why we have fast track.

This Constitution, which I hold in my hand, gives to the Congress the power to regulate trade and commerce with foreign nations. This Constitution is my authority, not fast track. This is my authority.

This bill we are talking about here and about to vote on and upon which cloture was invoked earlier today is a fast-track bill. It is not really about creating jobs or helping workers. It is about weakening our trade laws, making it easier for multinational corporations to move offshore where they can pay slave wages and where they do not have to pay health insurance and where they do not have to pay retirement benefits. That is what this bill does. That is why the Chambers of Commerce around the country favor it.

Just in my home State of West Virginia, we have lost thousands—thousands—of jobs, good jobs that supported families and breadwinners who worked hard for their money, very hard, indeed.

When I was first elected to Congress 50 years ago—elected 51 years ago—we had glass factories in West Virginia; we had pottery plants in West Virginia; we

had leather goods; we made shoes; we produced steel. We employed many West Virginians in the steel industry. That was 56 years ago when I first got into politics, and then 50 years ago when I first came to Congress. We had those thousands of good jobs in West Virginia.

Those jobs supported families and breadwinners who worked hard for their money, I say. They labored in the coal mines. They labored in the steel mills. They labored in the glass plants. They labored in the chemical manufacturing works. They worked in the leather goods industries in West Virginia. They were employed in the textile and apparel industries in West Virginia. These hard-working families deserve a fair slice of the pie.

These and other American workers elected the various Members of this body to look after their interests in national trade matters. Senator Randolph and I, when we came to this Chamber, did just that; but other States elected their Senators, too, to give them, the American workers, a fair shake when the trade deals were being made. I have to say that Senators cannot fulfill this obligation by handing Presidents fast-track authority.

The President proclaimed victory in obtaining his trade bill, but it is a hollow victory. It is a Pyrrhic victory. Remember Pyrrhus, who fought the Romans, who was the first to bring elephants to Rome and to the Italian peninsula to fight the war? That was in 280 B.C. He won a victory but a very costly one, and that has been called a Pyrrhic victory.

So the President won a Pyrrhic victory for America.

The President threatened to veto the bill unless the conferees dropped the Dayton-Craig amendment. So what did they do? They folded. They dropped it because the President waved his veto pen.

Why should that make one falter or faint or fall? The Constitution gives the President that right. The Constitution says he can veto a bill. But why shake and tremble in one's boots because the President threatens to use his veto pen? Let him veto it. Go to it. Explain to the American people, Mr. President, your veto of this protection that was written into this bill. Explain to them. Yes, go ahead and veto it.

He has a constitutional right to do that. Of course, the House and the Senate under the Constitution have the right to override his veto, but they will not on this bill.

In these 50 years that I have been in the Congress, the House and the Senate, every administration, Democratic and Republican, has sung the same old song. It is the State Department song. Administration after administration, Democratic and Republican, have sung the same old song: Give us free trade agreements.

Well, I voted against about every one that I can think of that came before

this Senate, NICPAC—no, not NICPAC, but you name it, I voted against these so-called free trade agreements.

I am for free trade. We are for free trade. Who would not be for free trade? But as some say, there is a great deal of difference between free trade and fair trade. They are two different terms.

So the conferees dropped it. They dropped the Dayton-Craig amendment. They trembled when they heard the President say he would veto it. What happened? They dropped that language. The President struck fear, I suppose, into their weak hearts by saying, "I will veto that bill. If it comes with that language in it, I will veto it."

I say, go to it, Mr. President. You just go ahead and veto it. I dare you to veto it and then go and tell the American people. Let's both go. Let's have a debate on this. Let the American people know.

So they scrapped the only meaningful part of the bill that allowed the Congress to stop the President from weakening our trade law. They scrapped the Dayton-Craig amendment, the only meaningful part of the bill that allowed the Congress to stop the President from weakening our trade laws in the next round of trade negotiations. Dayton-Craig would have allowed the Congress to exercise its constitutional right to amend and strengthen whatever agreement the President brings back to us. Without Dayton-Craig, we are at the mercy of our negotiators in Geneva, the same old place where nearly every week some WTO panel tells the United States that it has no right to enforce its own laws.

The Dayton-Craig amendment was a bipartisan amendment that I cosponsored along with a third of the Senate. Although the amendment was supported by an overwhelming majority of the Senate—62 Members of the Senate from both sides of the aisle now—in conference it was blithely cast aside as a bag of dirty laundry in the face of the veto threat by the President. Like a bag of dirty laundry, whiff, out went the Dayton-Craig amendment.

The President said he was afraid it might offend certain members of the WTO.

Well, Mr. President, I must ask this question—ungrammatically I will put the question: Who is the President working for, the WTO or the United States?

As I have often said, I was sent to the Congress not by the President of the United States. I have worked with 11 Presidents since I have been in Congress. Not one of them sent me to the House or to the Senate. I was not sent by any electoral college either. As I have often said, I was sent by the people, we the people of West Virginia. I listen to them. I was not sent by the President, and I was not sent by the WTO—nor was that Senator, nor that Senator, nor that Senator, nor that Senator. The last time I checked, nei-

ther the President nor I was elected by the WTO but by the American people.

Not surprisingly, the very day after the trade conferees' deal was announced, the Director General of the WTO commended President Bush. Imagine that. The very day after the trade conferees' deal was announced, the Director General of the WTO commended President Bush. The WTO Director General congratulated the President of the United States for having obtained a trade bill that wrests from the Congress its right to strengthen and protect American trade laws under article I, section 8, of this U.S. Constitution which I hold in my hand.

Again I ask: For whom is the President working? I will say it ungrammatically: Who is the President working for, the WTO or the people of the United States? Who is he working for, the President, the WTO, or the people of the United States?

Of course, the Director General of the WTO is pleased with the President's trade bill. If I were pleased with it, I would congratulate him, too. The WTO is pleased with it. The President is now free to negotiate trade deals more favorable to other WTO members than to the citizens of West Virginia and the citizens of the United States. That is this trade bill I am talking about.

I have seen how the employment figures in West Virginia have gone down over these years that I have been in Congress, and we have voted one time after another to take the Congress out of the equation, give Presidents free trade agreements. They can negotiate trade agreements without this bill we are going to vote on. They can. They don't need this to negotiate trade agreements. They call it promotion trade authority. What is that—PTA? Forget it. That is not promotion trade authority. That sounds good, count me in, if we promote trade.

But this is fast track, nothing short of it. This is the old hat trick. Don't watch what is going on in this hand; watch what is going on over here. Everything really is happening over here. This is the old hat trick.

So the WTO Director General "congratulated" the President for having obtained a trade bill that wrests from the Congress what Congress is entitled to under that Constitution—the right to debate and particularly the right to amend.

These are the very same countries whose representatives, sitting on WTO dispute settlement panels, have ruled against the United States in nearly each and every U.S. antidumping, countervailing duty, and safeguards case taken to the WTO since the last round of international trade negotiations.

So now, inexplicably, our President wants to enter into a new round of international trade negotiations. Why? To further undermine the ability of the United States to enforce its own laws against unfair trade. Despite congressional advice to the contrary, this administration honored the requests of

foreign governments to renegotiate our trade laws, knowing full well that these are the same governments that are gutting these laws in Geneva.

So again I ask, Who does the President work for, the WTO or the people of the United States? Why would our President want to do this? Let's step back a minute and look at this objectively. What exactly is the point of giving the President this authority to negotiate new trade agreements? Whom are we kidding? The goal of foreign governments in these negotiations is not to strengthen U.S. trade laws but to weaken them. And they have said as much. They begged us to put our laws on the negotiating table so they could water them down or kill them.

Does anyone really believe that negotiating new trade agreements at the explicit request of the very nations that are committed to destroying our trade laws would somehow result in a better deal for the United States than if we had simply walked away?

The foreign governments whose representatives sit on these WTO panels are launching a two-pronged attack on the United States. First, they seek to undermine our trade laws by having the President renegotiate them, meaning weaken them, in the new trade round. At the same time, whenever the United States applies an antidumping or countervailing duty order or a remedy under section 201 as we did recently in the steel case, our foreign competitors simply take us to the WTO where they continue to chip, chip, chip away at the laws passed by Congress precisely to stop their illegal actions.

We already know, based on bitter experience, that regardless of what is negotiated in Geneva, future WTO panels will continue to find U.S. law inconsistent with the new international agreement. These WTO panels are not ruling against the United States based on their understanding of international law. They are not seeking to uphold a greater good. These panels are ruling against the United States to eviscerate—eviscerate, disembowel—our trade laws so they can gain unfettered access to our markets—aha, the largest and most lucrative markets on Earth. And inconceivably this administration wants to help them do it.

Even the chairman of the Senate Finance Committee, Senator BAUCUS, agrees that the WTO panel's interim ruling against the Continued Dumping and Subsidy Offset Act, known to some as the Byrd amendment, was yet another example of how WTO panels are trying to undermine our trade remedies by telling us that we cannot enforce our own laws. These WTO panels are not seeking simply to prevent us from enforcing our own laws. No, they are going far beyond that. They are basically making new laws. That is what they are doing. They are basically making new laws by exceeding the scope of legal review that is permitted under the WTO agreements. Standard of review of the relevant WTO agree-

ments is based on language that was painstakingly negotiated by all WTO members during the Uruguay round.

In those negotiations, WTO members agreed that in a dumping case, a panel is not permitted to substitute its own judgment for a member's government so long as, one, there is more than one permissible interpretation of a WTO agreement; and, two, the interpretation by the member government is a permissible one.

The problem is, according to the WTO, there is only one permissible interpretation to these agreements. That permissible interpretation, it turns out, is never the interpretation of the United States. Instead, it is always the interpretation of the WTO panel. Rigged? We are beaten before we go in. We are out of the game before we enter. Instead, it is always the interpretation of the WTO panel.

During the Uruguay round, all WTO members agreed that there could be more than one permissible interpretation of a WTO agreement, but current WTO panelists dismiss that.

So if WTO panels do not respect their own agreements today, why does President Bush think they will abide by the agreements he negotiates tomorrow? Why should they? They know if down the line they refuse to play by the rules, this President will simply suggest another round of trade negotiations and those negotiations in the end will benefit whom. Them. Not us.

The President is again getting started on these lengthy negotiations right away. Why? Who does he work for, the WTO or the American people out there who are watching through those lenses? He thinks he can appease our trading partners. In effect, this administration is trying to "buy off" our foreign competitors. It is more worried about them than it is about America. The administration is like Willy Loman in "Death of a Salesman." He wants everybody to like us—everybody.

I have a new little dog. It is a Tibetan terrier. Its ancestors were born and bred in Tibet. They were to be used in the palace because they were so loving. They loved everybody. My new little dog is called Trouble. My wife named our little dog Trouble.

No dog will ever take the place of Billy, but Billy is gone. Billy has gone on to Billy's heaven, and so has Bonnie, his sister.

Now we have a new dog—a new dog, a little dog. It is a lap dog, a real lap dog. That is why these dogs were bred. And they are loving. They are small. They were born and bred for the palace in Tibet—China. So the little dog loves everybody. I can pick up that little dog, and it will lick me, and it will lick me, and it will wash my face, and it will kiss me. It loves everybody.

Well, that is the way it is here. That is the way it is here. The administration is like Willy Loman in "Death of a Salesman." It wants everybody to love us.

Maybe the President has a special nickname for each of our foreign com-

petitors, as he does for our adversaries in the press corps. How about that? The President has a nickname for adversaries in the press corps—the fourth estate that sits up there in those galleries and watches, watches, and listens every hour and every minute that we are here.

So he has a special nickname for each of our foreign competitors—maybe—as he does for his adversaries in the press corps. But his desire to have the United States be loved by everyone could result in our trading partners' loving us to death. His ongoing attempts to buy friendship abroad are sowing the seeds of destruction here at home.

For example, the Bush administration continues to compulsively exempt foreign imports from the 201 remedy on steel because it is concerned that the remedy is "upsetting" our foreign competitors. Rather than adhering to the letter of the 201 law, in the face of foreign critics, the administration every few weeks bows and scrapes, hems and haws, and, lo and behold, issues a new list of products suddenly exempted from the 201. These exclusions amount to thousands of tons of imported foreign steel. Is it any wonder that, despite the 201 tariffs, there was a 37 percent increase in steel imports in June compared to May of this year?

And here is another question. Is the President's strategy of appeasing our offended trading partners paying off? Apparently not. As of July 12, the President had excluded 247 products from the 201 remedy, which amounted to 740,000 tons of foreign, unfairly-traded steel. However, after reviewing the exclusions that were announced by the administration on July 11, a spokesman for the European Commission said those exclusions were "not enough." The EC said the United States would have to provide more exclusions or the EC would retaliate. So, glory be, what a surprise, on July 19, 2002, the President issued a new list of additional exclusions, including, of course, more exclusions of European steel. If that wasn't enough, the administration went on to announce that it would continue to grant exclusions on a "rolling" basis—which apparently means whenever we are threatened with retaliation—through the end of August. Not surprisingly, the EC suddenly announced it had decided to postpone its decision on whether to retaliate until the end of September. Coincidence? I think not. Listen to what the EC told us. The Danish Foreign Minister, speaking for the EC, candidly stated, "We decided that if we sanctioned the United States now, it might prove more difficult for the U.S. to add additional exclusions." But notice he did not say that the EC would not retaliate at the end of September, even if the President gives the EC all of the exclusions it asks for. Will we be able to buy off the EC by continuing to grant these exclusions? Not based on recent history. Listen to this.

On Monday, the WTO Dispute Settlement Body announced it was adding Brazil to the list of seven other WTO members that have requested a WTO panel in Geneva to contest our steel 201 remedy. If someone were to ask, "Well, why didn't the President just exclude Brazilian products from the 201, as he has so many others?" they might be surprised to learn that, in fact, Brazil was one of the first nations to be granted a 201 exclusion, and it was a whopper. You know about those fish we catch—"And it was a whopper." Obviously, it is not only futile but ridiculous for the United States to keep caving in to the demands of foreign critics. Why are we allowing ourselves to be cuckolded by foreign suitors we know are insincere? We cannot appease them by giving them further exclusions. They will have their cake and eat it, too—won't they?

Professor John Jackson of the University of Michigan is considered to be one of the most knowledgeable experts on GATT and the WTO in the whole wide world. Listen to what Professor Jackson wrote about the origins of the GATT in 1969. He wrote that it was an invention created by men, that was perhaps the least handsome of all the major international institutions of our time. He said the GATT began as only one wheel of a larger machine, the ill-fated International Trade Organization. And, he said, when the ILO fell apart, this wheel—the GATT—became a unicycle on which the burdens of the larger machine were heaped. He said of the GATT:

This unicycle, for reasons not fully understood, has continued to roll through two decades since it was put together. To be sure, it takes careful balance to keep it rolling and ad hoc repairs and tinkering have brought it to a point where the bailing wire and scrap metal which hold it together form an almost incomprehensible maze.

Professor Jackson made this observation in 1969. Add to this maze another thirty-three years of bailing wire, scrap metal, and ad hoc repairs and what do you get? The World Trade Organization. The WTO. An incomprehensible maze that is still rolling along, but rolling so hard and fast now, it's careening out of control.

And the greatest irony of all of this, Mr. President, is that it all began at the behest of the United States. In the early 30's, at the request of Senator Roosevelt's Secretary of State, Cordell Hull, the United States enacted the Reciprocal Trade Agreements Act of 1934. Between 1934 and 1945, the President negotiated and entered into 32 trade agreements. Most, if not all of the clauses in the GATT, can be traced to one or another of the clauses that were contained in those early trade agreements. So the United States was there at the inception of the GATT, and it continues to nurture what is now the WTO. And, I am sorry to report that we in the United States are still the greatest financial contributor to the WTO, paying approximately 16 percent of its

total budget for the luxury of being told our laws are meaningless, and we don't know how to interpret WTO agreements that are rooted in American law.

I submit we are being hoisted on our own petard, and that, rather than protecting us, the Bush administration is simply helping to sharpen the blade.

I yield the floor. I reserve the remainder of my time, if I have anything.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, today we stand on the precipice of passing a monumental expansion of trade adjustment assistance and overdue fast track trade negotiating authority for our country.

Before the debate closes, I wanted to explain how important this legislation is to my home State of Montana. Montana exports nearly a half billion dollars in products a year. We only have 900,000 people in our State. This includes \$260 million in agricultural commodities, \$100 million in industrial machinery, \$24 million in chemical products, and \$37 million in wood and paper products.

We export more than \$300 million to Canada, \$34 million to Mexico and have significant trade with China, Japan, Germany and the United Kingdom. In fact, just last week, Ambassador Moreno from Colombia visited Great Falls, Montana and announced a major wheat and barley purchase, with more trade opportunities to follow.

And that is just the beginning—if we are willing to engage the world. This bill helps us do that by allowing the President to negotiate new agreements to open foreign markets which is so necessary to the United States, and brings down trade barriers which is so important to this country.

I would like to read a letter I received from the Montana Grain Growers, Montana Stockgrowers, Montana Farm Bureau and Montana Chamber of Commerce that addresses this very point. To quote:

We are aware that trade is not always free or fair, but we believe this legislation is vital in putting the United States on a similar playing field with agreements that are negotiated around the world. While we understand that trade promotion authority will not fully address inequities with existing trade agreements, we feel strongly that this is an important way of establishing long-term agreements that will help return profitability back to the producer level.

I could not agree more. We need to take a seat at the negotiating table and level the playing field for our producers. It is not level today.

This means taking aim at the Canadian wheat board and finally dismantling its market distorting monopoly.

This means reducing foreign agricultural tariffs to levels that are the same as or lower than those in the United States. These are the same tariffs that block Montana beef exports to Korea and Japan.

This means eliminating all export subsidies on agricultural commodities while maintaining bona fide food aid and export credit programs that allow the U.S. to compete with other foreign export promotion efforts.

As you well know, Mr. President, the European Union maintains the lion's share of these agricultural export subsidies. You know this figure. It is 60 times more than the U.S. agricultural export subsidies—not 6, 60 times more than the United States. How can we as Americans ever expect to compete in the world if we are undersold time and time again by foreign-backed competitors? We can't. We need a trade agreement so we can begin to level that playing field and begin to eliminate those trade-distorting subsidies that are 60 times greater in one area than those of the United States.

This means preventing unjustified sanitary or phytosanitary restrictions not based on sound science. For three decades we fought to pry open the Chinese market to Pacific Northwest wheat. Now we are struggling with markets in Chile and Russia that place arbitrary sanitary barriers on U.S. exports of beef, pork and poultry. This must end, to say nothing about the EU restriction on American beef.

They will not take American beef. I remember meeting with Mrs. Margaret Thatcher. She admitted to me that it was a phony excuse. She said that to me personally.

And, most importantly, this means promoting trade while simultaneously maintaining a strong agricultural policy that preserves our family farms and rural communities.

Agriculture is not the only industry dependent on trade, however. We must continue to work to guarantee that small businesses have access to foreign markets.

It is open foreign markets that create new opportunities for a Bozeman, MT company that ships trailers for mining equipment to Latin America; that allow a Missoula company to expand its nutraceutical trade; it is open foreign markets that allow our nurseries to send seeds and seedling trees to developing nations rather than fighting phony sanitary barriers.

The potential for preserving good jobs—and even creating new jobs—doesn't stop there.

But there is a potential downside to trade that is also addressed by this bill. In this package we target assistance for workers who are struggling because of trade assistance for workers who are struggling because of trade by expanding the Trade Adjustment Assistance Program.

Many Montana workers are now back at work and many firms are still in business thanks to TAA. Take for example, Montola Growers which is researching new markets for its safflower oil, Thirteen Mile Lamb and Wool Company which is designing new garments for manufacture by contract knitters, and Pyramid Lumber, which is improving its milling efficiency.

Expanded trade adjustment assistance will help Montana workers by streamlining the process and expanding the net of eligibility. More will be eligible. In addition, a new program will provide up to \$10,000 in cash assistance to Montana farmers and ranchers injured by imports. This should be a good incentive to keep Montana farmers and ranchers, their families, and future generations on the land.

Good jobs will be created in Montana if we are willing to give our negotiators the strong hand needed to secure sound trade agreements, open those markets, and knock down those barriers. I hope my colleagues will feel the same about their own constituencies and lend their support to this very important matter.

Mr. President, I ask unanimous consent that the full text of the letter I quoted be printed in the RECORD.

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

July 31, 2002.

Hon. MAX BAUCUS,
U.S. Senate, Washington, DC.

RE: Unified Support for TPA Passage

DEAR SENATOR BAUCUS: On behalf of the Montana Farm Bureau Federation, The Montana Stockgrowers Association, the Montana Grain Growers Association and the Montana Chamber of Commerce we would like to reconfirm our support of Trade Promotion Authority (TPA). We ask for your support as well when the bill comes to the floor of the Senate later this week.

As you know, this bill has already overcome many hurdles, including passage in both the House and Senate. Just last week, the House approved the conference report. Passage in the Senate is the last hurdle before it goes to the President for signature.

We are aware that trade is not always free or fair. But we believe this legislation is vital in putting the United States on a similar playing field with agreements that are negotiated around the world. While we understand that trade promotion authority will not fully address inequities with existing trade agreements, we feel strongly that this is an important way of establishing long term agreements that will help return profitability back to the producer level.

It should be noted that Montana sold over half a billion dollars worth of exports last year to 100 foreign markets. Agriculture accounted for half of that value. We must find a way to put more money in the pockets of our farmers and ranchers or they will not be able to stay in business. The vast majority of ag producers recognize that increasing exports increases their bottom line.

Thank you for your continued strong support of Montana agricultural producers.

Sincerely,

JAKE CUMMINS,
Executive Vice President,
Montana Farm Bureau Federation.

STEVE PILCHER,

Executive Vice President,
Montana Stockgrowers Association.

WEBB BROWN,
President,
Montana Chamber of Commerce.

RICHARD OWEN,
Executive Vice President,
Montana Grain Growers Association.

Mr. BAUCUS. Mr. President, I yield the floor.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2003

The PRESIDING OFFICER. Under the previous order, the hour of 2:20 p.m. having arrived, the Senate will now resume consideration of H.R. 5010, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 5010) making appropriations for the Department of Defense for the fiscal year ending September 30, 2003, and for other purposes.

Pending:

McCain amendment No. 4445, to require authorization of appropriations, as well as appropriations, for leasing of transport/VIP aircraft.

The PRESIDING OFFICER. Who yields time?

The Senator from Arizona.

AMENDMENT NO. 4445 WITHDRAWN

Mr. MCCAIN. Mr. President, I ask unanimous consent to withdraw my amendment and, along with that unanimous consent agreement, that I be allowed 8 minutes and the Senator from Texas be allowed 5 minutes to speak on the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. I don't quite understand the request.

Mr. MCCAIN. I am requesting unanimous consent to withdraw the amendment but be allowed to speak for up to 8 minutes on the amendment and the Senator from Texas be allowed 5 minutes to speak on the amendment.

Mr. STEVENS. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment (No. 4445) was withdrawn.)

Mr. MCCAIN. Mr. President, could the Senator from Texas be allowed to be recognized first on this, and I then be recognized for my 8 minutes?

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank our dear colleague from Arizona. I thank him for his vigilance on this issue.

We have two issues before us, but they really boil down to the same principle, and I want to talk more about the principle than I do the interest.

The first issue has to do with the leasing of four 737s. I would have to say, this is a transaction I have not looked at very closely. This is some-

thing new to this bill. What I want to focus my attention on is the leasing of 100 Boeing 767s, which was contained in last year's appropriations bill, which was not competitively bid.

In looking at the economics of leasing these planes, to the best of my ability—to get data, and to understand it—it looks to me that if we need these planes as tanker replacements, we ought to buy the planes.

My concern is, we are going into leasing because we do not have the front-end costs in the appropriations process with leasing that we do with purchasing. If in fact my concern is legitimate, what it means is, we are having procurement dictated by how we score leasing versus procurement. I think if that in fact is the case, we are making a very big mistake.

I think something needs to be done about looking at these leasing contracts into which we are entering. They represent tens of billions of dollars of commitments of resources into the future. It seems to me that OMB and CBO need to work together to come up with a methodology to look at leasing versus buying. And this is something that ought to be looked at by the Defense authorization bill since the leasing of the 737s and the leasing of the 100 767s—neither of them was authorized by the Defense authorization bill.

I think it is imperative, before we go through this process again, that we have OMB and CBO develop for us a methodology of looking at leasing versus purchases, that we have hearings in the authorizing committee, and that we have authorizing legislation in this area.

I was very concerned, last year, with 100 Boeing 767s because the clear intent at that time, no matter what the economics were, was to basically help Boeing, given that they did not get the major defense contract of our era.

I do not think, given that we have a \$168 billion deficit, we ought to be in the business of simply gratuitously giving billions of dollars to companies that do not win contracts. The whole purpose for competing contracts is to choose the contractor that will do it best at the lowest possible price. The idea that losers have to be compensated is about as far away from the market principle as it can be.

So I would certainly urge that something be done to develop a methodology so that the Senate can make rational decisions about leasing versus buying.

I thank Senator MCCAIN for his leadership in this area. This is something we ought to be concerned about. We are talking about tens of billions of dollars. We are making commitments on economics that people have not looked at or understood. I think this is something we need to understand. And I hope to pursue, with Senator MCCAIN, a study by CBO and OMB to set the stage for the setting of a policy in the future.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank my friend from Texas, who understands the issues of economics and leasing and the machinations of various budget activities far better than I. I appreciate his support.

I remind my colleagues that the amendment I have withdrawn would have just simply required the authorization of appropriations of \$30.6 million—I repeat, \$30.6 million—for the four Boeing 737 congressional/executive VIP aircraft. That is all it did.

The language in the amendment is identical to language requiring authorization of appropriations for 100 Boeing 767 tanker aircraft that is included in the fiscal year 2003 Defense authorization bill. Whether that lasts through conference will be very questionable, given the enormous impact of the lobbying by Boeing Aircraft.

Last year, during conference negotiations on the Department of Defense Appropriations Act for fiscal year 2002, the Senate Appropriations Committee inserted into the bill unprecedented language to allow the U.S. Air Force to lease 100 Boeing 767 commercial aircraft and convert them to tankers, and to lease four Boeing 737 commercial aircraft for VIP airlift to be used by congressional and executive branch officials.

My colleagues will recall that Congress did not authorize these leasing provisions in the fiscal year 2002 National Defense Authorization Act, and in fact the Senate Armed Services Committee was not advised of this effort by the U.S. Air Force during consideration of that authorization measure.

Again, this year, without benefit of authorization, committee debate, or input, the Senate Appropriations Committee has added funding in the fiscal year 2003 Department of Defense appropriations bill for \$30.6 million to cover initial leasing costs for the four Boeing 737 congressional/executive VIP transport aircraft.

I am concerned that the impact of this 737 leasing provision has not been adequately scrutinized and the full cost to taxpayers has not been sufficiently considered. In fact, after review of the Air Force's proposed lease for the four 737s, and its comparison of leasing and purchase options for these aircraft, it appears that certain leasing costs are being hidden to make the leasing option appear more cost effective.

In addition, recent CBO and GAO analysis of the Air Force's 737 leasing proposal suggests that the lease could cost the Government, and ultimately the U.S. taxpayers, from \$13.5 million to \$20 million more than to purchase these aircraft. These CBO and GAO reports, it seems to me, lend credence to the view that additional scrutiny of the leasing proposal would be beneficial—and such scrutiny generally occurs during the congressional authorization process.

I repeat, my amendment only said that this insertion in the appropriations bill would have required authorization. It would not have stopped it.

This is the same kind of egregious behavior we often rail against here on the Senate floor when it comes to corporate scandals.

What is at risk in this series of unfolding circumstances is the trust Americans have in our Congress and in Government.

I am aware that the chairman of the Armed Services Committee has just a short time ago received a letter from OMB Director Mitch Daniels stating the administration's support for the lease of these four aircraft.

I know also that our committee has received a reprogramming request for the funds necessary to begin this lease. This reprogramming request, evidently, has addressed any concerns, my friends, the chairman and ranking member, might have had about the Appropriations Committee. Accordingly, Senators LEVINE and WARNER would have opposed my amendment insisting that our committee need not authorize these leases. I understood the reality and withdrew the amendment.

However, I want to make a couple of observations. I guess I don't know for certain why OMB has decided to support this lease—which will cost American taxpayers just about as much to rent four aircraft as it would to own them. I assume it is because the real need for these aircraft is negligible compared to our many other defense priorities, and to find the money to support a luxury in a time of enormous budget deficits it becomes necessary to engage in budgetary shell games and appropriations parlor tricks. But the American people should know and their elected officials should understand that the accounting tricks that we decry in the corporate world and that have so distressed our financial markets should not be any more acceptable in government spending decisions.

Lastly, I say to my friends, the chairman and ranking member of my committee, for whom I have great affection and respect—and I mean that: I remember a time when the members of the Senate Armed Services Committee considered their authorizing responsibilities to be considerably more onerous than simply receiving and acquiescing in the occasional reprogramming request for an unneeded, unaffordable, luxury acquired by resorting to spending gimmickry rather than insisting that the scarce resources available for our armed services—in an age of serious and multiple threats to our freedom—ought to be spent on our security and our security alone and not on the convenience of travelling members of Congress and the executive branch.

I yield the balance of my time.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. DASCHLE. Mr. President, we are making good progress in our effort to bring the debate on this bill to a close. I compliment the distinguished Senators, the managers of the bill, the chairman, and the ranking member. At a point when we are able to conclude the debate, I know Senator LEVIN would like to be recognized for a few minutes before that happens, we will go to final passage. There will then be an opportunity to vote on issues relating to the Executive Calendar—at this point I am not sure how many votes relating to the judicial nominations on the calendar, but it is my intention to go to many of the judges who are currently listed on the Executive Calendar.

I would like to propound a unanimous consent request. It has been cleared by the distinguished Republican leader in regard to that matter.

I ask unanimous consent that immediately following the disposition of the Defense appropriations bill, the Senate proceed to executive session to consider Executive Calendar No. 862, Henry Autrey, to be U.S. District Judge; that there be 4 minutes for debate equally divided between the chairman and ranking member of Judiciary Committee; that upon the use or yielding back of that time, the Senate vote immediately on confirmation of the nomination; that the motion to reconsider be laid on the table; the President be immediately notified of the Senate's action; any statements thereon be printed in the RECORD; and the Senate then return to legislative session, with the preceding all occurring without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, to repeat, there will be a vote on final passage, at least one, perhaps more votes on the judicial nominations that we have been able to clear. Then I would also note that we have one other vote at least after all of that, which is the vote on the final passage of the trade promotion authority conference report. There are Senators who had asked to be recognized for remarks prior to the time we have that vote. We will be consulting with them relating to the amount of time they will require.

I urge Senators to be aware that after this block of votes, there will be at least one, maybe other important votes this afternoon.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Michigan.

Mr. LEVIN. Mr. President, I wonder if one of the managers will yield 4 minutes to me.

Mr. INOUE. I yield 4 minutes.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, last year's Defense Appropriations Act contained a provision which authorized the Secretary of the Air Force to pursue

multiyear leases for two types of aircraft, up to four Boeing 737 aircraft and up to 100 Boeing 767 aircraft. That provision exempted these leases from the requirement for congressional authorization in sections 2401 of title X which I thought was an unfortunate action on the part of the Appropriations Committee. That was last year.

After the enactment of that provision by our good friends, the appropriators, the Secretary of the Air Force appeared before the Armed Services Committee and he made a personal commitment to us that he would not proceed with a lease without first coming to both the authorizing committee and the Appropriations Committee for approval of funding required for the lease.

In the case of the proposed Boeing 737 lease, the four planes, the Secretary lived up to that commitment. The Department of Defense submitted a request for reprogramming to both the Armed Services Committee and the Appropriations Committee. The Armed Services Committee met earlier today, about an hour and a half ago, to consider the reprogramming request from the Department of Defense. I emphasize, this reprogramming request is from the Department of Defense. My immediate response, when we received it, was to ask the Department of Defense some questions and to ask the OMB some questions.

The main question I was asking the Department of Defense was whether they considered this a precedent for any other reprogramming requests. The answer was no.

The question I asked the OMB was whether or not the OMB supports this request and if so why. The OMB has sent a letter now to us indicating that they support the Department of Defense reprogramming request, and they set forth their reasons.

I ask unanimous consent the letters from the Department of Defense and the OMB supporting the reprogramming request be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SECRETARY OF THE AIR FORCE,
Washington July 31, 2002.

Hon. CARL LEVIN,
*Chairman, Committee on Armed Services,
U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: This letter is in response to your questions regarding the Air Force's intent to award a contract to lease four Boeing 737 aircraft under the Multi-Year Aircraft Lease Pilot Program authorized by Section 8159 of the Fiscal Year 2002 Department of Defense Appropriations Act.

Our analysis shows that the least cost alternative is a lease program. Under the terms and conditions of the proposed lease contract negotiated with Boeing, the net present value of the lease is approximately \$3.9M less than a purchase over the same period.

With respect to your comment that you do not consider the proposed Boeing 737 lease to be a precedent for any other lease, I agree. Although the Air Force will use a similar methodology to determine the value of a 767 lease (if one can be successfully negotiated), in the end, the Air Force will only bring forward a lease proposal which shows a net present value that is advantageous to the American taxpayer.

Thank you for your prompt attention to this matter.

Sincerely,

JAMES G. ROCHE.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT
AND BUDGET,
Washington, DC, July 31, 2002.

Hon. Carl Levin,
*Chairman, Committee on Armed Services
U.S. Senate, Washington, DC.*

DEAR SENATOR LEVIN: Thank you for your letter of July 30th concerning the proposed lease of Boeing 737 transport aircraft. You asked if the lease proposal is consistent with the criteria for an operating lease under OMB circular A-11 and with the requirements of Section 8159 of the FY 2002 DoD Appropriations Act.

We believe that the lease is consistent with A-11 and Section 8159, despite the fact that it includes an option to purchase the aircraft. In particular, the lease proposal meets two key requirements in A-11: (1) the lease payments constitute no more than 90% of the value of the asset (the aircraft); and (2) the asset is commercial in nature and not designed to meet unique government purposes. Under A-11, purchase options are allowable in operating leases as long as they do not commit the government to purchase and as long as the purchase is at the fair market value of the asset at the time the option is exercised. In this case the prices quoted in the contract are fair market value for this type of aircraft after five years of use. There-

fore, as long as the Air Force provides the required funding to purchase the aircraft upfront if and when it decides to exercise the option, it can do so without violating the A-11 requirements for an operating lease. The lease is also consistent with Section 8159 in this regard since the purchase option requires separate authority in order to be exercised.

Finally, all costs for FY 2002, including termination liability costs, are fully covered by the reprogramming request of \$37.2 million that was sent to the Congress. In future years, the program will continue to be scored according to guidelines for operating leases under A-11 thus requiring an annual appropriation.

In summary, we support the proposal worked out with the Air Force on the lease of 737s. Any future leases would be expected to comply with these standards. Thank you again for your interest.

Sincerely,

MITCHELL E. DANIELS, Jr.
Director.

Mr. LEVIN. Mr. President, that relates only to the 737 lease which is the matter in the appropriations bill. There is no reference to the 767 lease, which is for the 100 tankers, in the appropriations bill before us. We need to address how that issue should be addressed.

In the authorization bill, which this Senate has passed and which is now in conference, we added a provision which states that before there is any lease, the Department of Defense must obtain authorization for that lease. This legislation will not only require the Department of Defense and the Office of Management and Budget to lay out the ground rules for any such lease but also to obtain the approval of the authorizing committees as well as the appropriators for any lease of Boeing 767 aircraft. That is the way in which I believe we have done the people's work in requiring the justification from the OMB and the Department of Defense for the reprogramming request relative to the four 737s and the way in which we will protect the public interest relative to any request for funding for a lease for the 767s and for the tankers.

Mr. President, I ask unanimous consent that a number of documents I referred to be printed in the RECORD.

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

Unclassified

REPROGRAMMING ACTION — PRIOR APPROVAL

Page 1 of 2

Subject: C-40 Lease	DoD Serial Number: FY 02-11 PA
Appropriation Title: Research, Development, Test, and Evaluation, Air Force, 02/03 Aircraft Procurement, Air Force, 02/04 Operation and Maintenance, Air Force, FY 2002	Includes Transfer? Yes

Component Serial Number: FY 02-25 IR	(Amounts in Thousands of Dollars)							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This action is submitted for prior approval because it initiates a new start program. This action uses general transfer authority, pursuant to section 8005 of Public Law 107-117, the DoD Appropriations Act, 2002; and section 1001 of Public Law 107-107, the National Defense Authorization Act for FY 2002. This action reprograms funding in support of a higher priority item, based on unforeseen military requirements, than that for which the funds were originally appropriated. This action meets all administrative and legal requirements of the Congress. This action also involves congressional special interest items.

FY 2002 REPROGRAMMING INCREASES: +37,200

Aircraft Procurement, Air Force, 02/04 +31,200

Budget Activity 4: Other Aircraft

C-40 - - +31,200 31,200

Explanation. As authorized by section 8159 of Public Law 107-117, the DoD Appropriations Act, 2002, this funding will be used to establish the Boeing 737 Lease Pilot Program in FY 2002. Increased travel requirements resulting from events of September 11, 2001, mandatory retirement of aging aircraft, and on-going modernization programs result in a shortfall in airlift capacity in the Special Air Mission (SAM) fleet based at Andrews Air Force Base (AFB), Maryland. To offset this operational deficit, the Air Force plans to enter into a long-term operating lease of up to four Boeing 737 (C-40) aircraft under the Lease Pilot Program. The C-40 is the military variant of the commercial 737-700 Boeing Business Jet.

Operation and Maintenance, Air Force, FY 2002 +6,000

Budget Activity 2: Mobilization

3,653,410 3,653,914 +6,000 3,659,914

Explanation. This requirement is for the operations and support costs incurred during FY 2002 to support the Boeing 737 Lease Pilot Program based at Andrews AFB, Maryland.

Approved (Signature and Date)

Dov S. Zakheim

JUN 27 2002

Unclassified

REPROGRAMMING ACTION – PRIOR APPROVAL

Page 2 of 2

Subject: C-40 Lease						DoD Serial Number: FY 02-11 PA			
Appropriation Title: Research, Development, Test, and Evaluation, Air Force, 02/03 Aircraft Procurement, Air Force, 02/04 Operation and Maintenance, Air Force, FY 2002						Includes Transfer? Yes			
Component Serial Number: FY 02-25 IR		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a		b	c	d	e	f	g	h	i
FY 2002 REPROGRAMMING DECREASE:						-37,200			
Research, Development, Test, and Evaluation, Air Force, 02/03						-37,200			
Budget Activity 5: Engineering and Manufacturing Development									
PE 0401318F CV-22		190,008		190,008		-37,200		152,808	
<p><u>Explanation.</u> This is a congressional special interest item. Funds were added in FY 2002 to manufacture two Engineering and Manufacturing Development test articles. The period of performance for this effort is from FY 2002 through FY 2005. As a result, \$37.2 million is not required in FY 2002 to cover costs incurred during the FY 2002-FY 2003 period of performance, but it is required in FY 2004 instead. Therefore, funds are available to fund higher prior requirements and will be budgeted in FY 2004 to complete the manufacture of the test articles consistent with congressional intent.</p>									
Approved (Signature and Date)									

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, July 30, 2002.

Hon. JAMES G. ROCHE,
Secretary of the Air Force, The Pentagon,
Washington, DC.

DEAR SECRETARY ROCHE: On June 24, 2002, the Senate Armed Services Committee received a letter indicating your intent to award a contract to lease four Boeing 737 aircraft under the Multi-Year Aircraft Lease Pilot Program authorized by Section 8159 of the Fiscal Year 2002 Department of Defense Appropriations Act. The Committee subsequently received a request for reprogramming to enter into such a lease.

As the Committee considers this reprogramming request, I would appreciate your response to the following questions.

First, based on net present value calculations performed by the Air Force, do you believe that it will cost the Air Force more or less to lease the four aircraft than it would cost to purchase the same aircraft?

Second, as you know, Section 8159 authorizes the Secretary of the Air Force to investigate operating leases for both Boeing 737 aircraft and Boeing 767 aircraft. In my view, any proposed lease should be considered on its merits, and for that reason I do not consider the proposed Boeing 737 lease to be a precedent for any other lease, including a potential Boeing 767 lease. Do you agree or disagree?

Because your reprogramming request is currently pending before our Committee, I would appreciate a prompt response to these questions.

Thank you for your assistance in this matter.

Sincerely,

CARL LEVIN,
Chairman.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, July 30, 2002.

Hon. MITCHELL E. DANIELS, Jr.,
Director, Office of Management and Budget,
The White House, Washington, DC.

DEAR MR. DANIELS: On June 24, 2002, the Senate Armed Services Committee received a letter from the Secretary of the Air Force informing us of the Secretary's intent to award a contract to lease four Boeing 737 aircraft under the Multi-Year Aircraft Lease Pilot Program authorized by Section 8159 of the Fiscal Year 2002 Department of Defense Appropriations Act. The Committee subsequently received a request for reprogramming "to enter into a long-term operating lease of up to four Boeing 737 (C-40 aircraft)" as authorized by section 8159.

Section 8159 states that "The Secretary shall lease aircraft under terms and conditions consistent with this section and consistent with the criteria for an operating lease as defined in OMB Circular A-11, as in effect at the time of the lease." It further states that "No lease entered into under this authority shall provide for . . . the purchase of the aircraft by, or the transfer of ownership to, the Air Force." An Air Force report to the Congress regarding the proposed contract terms and conditions states that "A price option to purchase the aircraft at residual value is included. Exercise of the options is subject to a separate authorization and appropriation."

I would appreciate if you would review the proposed contract terms and conditions and determine: (1) whether the terms and conditions are consistent with the criteria for an operating lease as defined in OMB Circular A-11; (2) whether the terms and conditions are consistent with the requirements of Section 8159; and (3) how the lease should be scored for budget purposes. I would also ap-

preciate your statement as to whether, in view of these terms and conditions, the Office of Management and Budget supports the proposed lease.

Because the Air Force reprogramming request is currently pending before our Committee, I would appreciate a prompt response to these questions.

Thank you for your assistance in this important matter.

Sincerely,

CARL LEVIN,
Chairman.

Mr. LEVIN. Mr. President, if I may have an additional minute, I think a number of important points were raised by the Senator from Texas relative to the leasing issue. I hope that path will be followed, where the Department of Defense and the OMB will set forth some criteria, some guidelines, relative to leasing because there are some real risks when the leasing road is walked in terms of committing future resources.

We hope we have protected the taxpayers in this matter by looking at the reprogramming request very carefully. A majority in the committee has voted and approved formally the way we do reprogramming; nonetheless, it has approved the reprogramming request.

Senator WARNER has worked with me and fully concurs in the decision that we made to get the decision from the committee. Usually, reprogramming is done more informally, but we decided that because there were some differences, we would actually convene the committee and get a more formal response and polling of the committee relative to the Department of Defense's reprogramming request on the four 737s. That is completed now, and the reauthorization issue will now be addressed relative to the 100 tankers.

I thank my friends for the time. I thank Senator MCCAIN for withdrawing his amendment, and I hope we are on the right track.

THE PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, the Senator from Texas started his comments about this subject with the phrase "if" we need these planes. That is the point of departure, as far as I am concerned, from those who oppose what we have done to start leasing planes.

The tankers that we are replacing in the lease program, the 767s, have reached over 42 years of age. Senator INOUE and I have talked to pilots throughout the world who are flying our planes, and we found that, to a great extent, these planes are spending more time in the depot for maintenance than they are spending flying. The cost of maintaining a plane that old is irrelevant to the subject of what we are spending on these new planes. That doesn't figure in on the CBO. If you save money from maintaining a 42-year-old airplane, that doesn't count toward what it costs you to lease a plane to take its place.

Now, we have an unquestioned need for these planes. As I said last night, I cannot imagine that, in the time when

I was an Army and Air Corps pilot, anyone would have dared offer me a 1902 plane to fly in World War II. But that is equal to what we are doing now. We are not only offering it, we are forcing our people to fly planes that are, for the most part, older than the pilots who are flying them. It is costing us more to maintain them than the planes are worth. It is because of the failure of the Congress to face up to the problems of replacing our aging systems that we face this tremendous bow-wave of costs in front of us.

We are not able to lease combat equipment. We don't seek to lease combat equipment, but we do seek to lease those types of systems that are available in the competitive market and for which there will be a market at the end of the lease. I envision that we will go away from the point of having to spend dollars and dollars and dollars to maintain old planes to the point where we will turn these planes back after not more than 10 years, and then we will buy the next generation. This generation will go out into the general aviation sector of the world, and we will have a value. That value is not calculated in these systems either because they just assume we will keep leasing them, I guess, and envision us continuing to lease these planes until they, too, are 40 years old.

As a practical matter, we have faced this problem before, not just in this Congress. I remember the fights over the C-17. Even those were purchased, but the Congress, in three out of the four committees of the Congress, refused to proceed with the purchase of the C-17s. We saw the C-140s ready to be retired, and we had to have a replacement. It was our subcommittee that insisted on going ahead with the C-17s.

We see the problem of the cost of maintaining the tankers, of maintaining the C-9s. We call them the DC-9s. Those are being retired now. They average 30 years of age. The 727s, which we call the C-22, average 38 years of age.

Think of that, Mr. President. We have gone through three decades without thinking about how we keep planes so they are functional and costs do not get ever-increasing for maintenance. We look at money in a different way than the Armed Services Committee does; I admit that. We look at money as to how we can possibly get what we need without breaking the budget. We have proceeded to lease with that in mind.

It is not my judgment that we will increase the cost of flying these missions by leasing the planes, as compared to keeping planes that are in the 30-, 38- and 44-year-old age bracket.

Mr. President, I think one comment was made concerning the fact that one company—Boeing—was not awarded one of the contracts for the combat aircraft. That had nothing to do with our decision to try to lease these planes. It is totally immaterial, as far as I am

concerned. We weren't even sure whether they would decide to lease the planes. The fact was that we had to find planes, and the planes that were available at that time on the line were the 767s, which could be readily converted to tankers to replace these aging tankers that must be replaced if we are to continue our war against global terrorism.

Mr. President, it doesn't please this Senator to have this continued battle with the Armed Services Committee over the question of what is the best way to spend our money to keep our people in the military outfitted with the best possible equipment. But, in my judgment, we are proceeding along the right line.

I sort of wonder about the request that GAO do a study on whether or not the Congress was right in passing the law and the President was right in signing the law last year. We are discussing an issue we debated on the Senate floor. We prevailed on the floor, we prevailed in conference, and the President signed the bill. The system is moving forward that was intended to move forward. I seriously question what right anybody has to ask the GAO to study whether Congress made the right decision last year. Congress should be looking at the execution of the laws, not whether the laws represented the best possible solution.

I don't have a problem with them looking at the economics of it; I welcome that, provided they look at the cost of maintaining those old planes. They are not going to tell me that the taxpayers are saving money by keeping planes that are as old as the C-9s, C-22s, and tankers that are flying today.

Lastly, I remind the Senate that those tankers are still flying, almost nightly, in Afghanistan. Every plane that flies in that theater has to be refueled at least twice a night. We recently talked to the commander of our forces in Europe. We were told that when the AWACS NATO loaned us after 9/11 came to the United States, they flew 19,000 hours in less than 6 months. Now, those, too, are the old 707 bodies and they are aging. The engines are aging, and they are going to have to be replaced because of the heavy duty they got during that period they were on loan here.

There are all kinds of problems that have to be solved. We solve them by using money from the operation and maintenance account. We are not authorizing people to buy planes. That is the jurisdiction of the Armed Services Committee. But what happens to the O&M account, as far as I am concerned, is a matter for the Appropriations Committee to determine—they are consulted—but we have to find some way to make the money fit the need. I think we have done it in this bill.

I thank my friend from Hawaii for his courtesy in allowing me to speak ahead of him.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUE. Mr. President, I wish to associate myself with the remarks of my distinguished colleague from Alaska.

DEPOT MODERNIZATION

Mr. GREGG. Mr. President, I would like to express my appreciation to Mr. INOUE, the Chair of the Senate Appropriations Subcommittee on Defense, and to Mr. STEVENS, the Ranking Member of the Subcommittee, for the fine work they have accomplished in crafting this important Fiscal Year 2003 Department of Defense Appropriations Bill. It has been my pleasure, as a member of the Appropriations Subcommittee on Defense, to work with them on this bill, as well as on the defense portions of the recently passed Fiscal Year 2002 Emergency Supplemental Bill, H.R. 4775. They certainly do a masterful job of setting priorities and balancing competing needs.

I am also pleased that the Appropriations Committee chose to specifically provide \$90 million in the Fiscal Year 2002 Emergency Supplemental bill to accelerate the depot modernization period of the USS *Scranton* at the Norfolk Naval Shipyard from Fiscal Year 2003 to Fiscal Year 2002, as it will result in dramatically improved fleet readiness. In addition, it will free up \$90 million in Fiscal Year 2003, which had been programmed for the USS *Scranton*, to be used for other U.S. Navy critical submarine requirements. This could include returning back to Fiscal Year 2003 the important USS *Annapolis* depot modernization period at the Portsmouth Naval Shipyard, which the Navy was recently forced to slip from Fiscal Year 2003 to Fiscal Year 2004, because of a Navy funding shortfall.

I direct a question to my two friends, the Chair and the Ranking Member of the Defense Appropriations Subcommittee. Is it the Subcommittee's understanding that the appropriation of the additional \$90 million to accomplish the USS *Scranton* depot modernization period in Fiscal Year 2002, now gives the U.S. Navy flexibility to allocate the Fiscal Year 2003 USS *Scranton* funds to meet other critical submarine requirements?

Mr. INOUE. The distinguished Senator from New Hampshire is correct. It is the understanding of the Defense Subcommittee that the Fiscal Year 2003 \$90 million that the navy had requested for the USS *Scranton*, may now be available to the Navy to meet other critical submarine depot modernization requirements.

Mr. STEVENS. I tell the Senator from New Hampshire that it is also my understanding that the Navy now has the flexibility to reprioritize those Fiscal Year 2003 funds.

M13 CARRIER

Mr. SHELBY. Mr. President, as the Senator knows, one of the most versatile and successful programs in the history of the Army is the development and fielding of the M113 Family of Vehicles. The Army has been in the process of up-grading these vehicles so

that they can keep pace on the modern battlefield, improve survivability and drastically increase reliability. Notwithstanding the need to transform the Army, the fact remains that in 2016, at the time the Army intends to field the Objectives Force, there will be nearly 10,000 M113s remaining operational including 1,900 in the Counter Attack Corps.

Mr. INOUE. Yes, I am familiar with the success of the M113 Family of Vehicles and the role they play in today's Army.

Mr. SHELBY. Mr. President, as the chairman knows the FY 2003 budget request contained \$60.3 million for carrier modifications but only \$14.9 million of that total was allocated for M113 "A3" upgrades. I am supportive of transformation and understand the need to reallocate resources for that purpose. In this instance, however, I believe the Army's decision not to upgrade the remaining forward deployed 112 M113A2s of the 2nd Infantry Division in the Republic of Korea and the 352 M113A2s in Europe belonging to the 1st Infantry Divisions, will at a minimum, leave the soldiers in these front line units vulnerable in a potentially unstable and high threat environment.

Because of these concerns, I believe serious consideration should be given to using all the funds provided in this bill for M113 Carrier A3 upgrades and ask that you work with me on this issue during conference.

Mr. STEVENS. Mr. President, Senator SHELBY and I have discussed this matter and I also believe we should take a close look at using the funds recommended by the Committee solely for the conversion of M113A3 carriers and that we address this matter in conference.

Mr. INOUE. I thank my distinguished colleagues for sharing concerns about this program. I too support Army transformation and, most importantly, the protection of our soldiers. I would be happy to discuss the M113 issue further as we move toward conference.

BRILLIANT ANTI-ARMOR SUBMUNITION COLLOQUY

Mr. SHELBY. Mr. President I rise today with my good friend, Senator MIKULSKI, to discuss the Brilliant Anti-Armor Submunition BAT P³I. I want to express my disappointment with the \$152 million cut taken by the committee from the President's budget request for the BAT program. Despite increased emphasis being placed on precision guided munitions, this cut will cripple a promising program that has shown progress in testing and is nearing the end of its development phase.

Ms. MIKULSKI. I join my friend from Alabama in expressing my concern with this cut to the BAT program. The Department of Defense is currently creating a vision of precision munitions capabilities and transformation investments for our Armed forces and I believe BAT could play a significant role. The Army has already spent close

to \$1.9 billion developing this program and the President's fiscal year 2003 request is needed to complete development, testing and make this system production ready by 2005. That is well within the Army's schedule to support both the Army's Interim and Objective Transformational Forces. With adequate funding, BAT P³I is on track to be fielded 3 years sooner than any competing system.

Mr. SHELBY: I note that BAT P³I is the Army's only precision strike munition that can operate in inclement weather and effectively hit moving and stationary targets, including SCUD launchers capable of carry weapons of mass destruction. It is equally worth noting that recent tests of BAT and its P³I variant have proven to be effective against targets that were employing countermeasures. I applaud the Army's efforts to expand the delivery platform for BAT P³I beyond the ATACMS missile to include examining the applicability of putting the BAT on rockets and unmanned air vehicles, such as Predator and Hunter UAVs. I encourage the Army and its colleague services to continue this kind of innovative thinking to take full advantage of the flexibility that this all weather, precision guided weapons can provide.

Ms. MIKULSKI: I am informed of a positive trend, in that, the cost of the BAT submunition has decreased by approximately 10 percent each time a new order has been procured. I also understand the Army is working on an achievable cost reduction program for BAT P³I. Considering the points Senator Shelby and I have raised, it seems we should give more thought to this matter in conference. I ask both Chairman Inouye and Senator STEVENS if they might be willing to discuss this matter further as we move to conference on this bill.

Mr. SHELBY: I join the distinguished Senator from Maryland in requesting the assistance of Chairman INOUE and Senator STEVENS.

Mr. INOUE: I thank the Senators from Maryland and Alabama for their steadfast support for this program. I would be happy to review the committee's action and discuss the BAT program with them.

Mr. STEVENS: I join the chairman in thanking the distinguished Senators from Alabama and Maryland for their remarks. I would certainly be willing to discuss BAT program funding with my colleagues.

CHEMICAL AND BIOLOGICAL DEFENSE INITIATIVES

Ms. COLLINS. Mr. President, I rise today to discuss the very important issue of chemical and biological research. The threat of a chemical and biological attack is no longer an emerging threat: it is very real, and it affects not only our nation, but our allies as well. The risks associated with chemical and biological weapons are growing, and our capacity to assess, counter, and deter these threats needs to be addressed. That is why it is crit-

ical to see continued investments made in diagnostic tools for biowarfare-inflicted agents, chemical and biological detection devices, and sensors to ensure the safety of food and water supply.

Mr. STEVENS. I agree with the distinguished Senator from Maine that this research area needs a robust investment to ensure that promising technologies are not only explored, but that the technologies are transitioned to the field and operationally deployed.

Ms. COLLINS. I thank the distinguished Ranking Member for his leadership on Defense issues. And I am very pleased to see that the Defense Appropriations bill places a high priority on addressing the chemical and biological weapons threat that we face and provides additional funding beyond the President's request for a number of high priority research programs.

As the Senator knows, I have been actively supporting vigorous research efforts in this area since my first days in the Senate because the threat from these weapons is serious and it is growing day by day. I am pleased to see that the Committee is recommending to the Senate that a chem-bio defense initiatives fund be established with an initial funding increment of \$25 million. The Committee has listed a number of technology initiatives for consideration, but is providing the Secretary of Defense with the discretion to allocate the funds.

It seems logical to ensure that the most promising, maturing technologies are seen through to their completion, particularly if the technology shows a high potential to yield benefits in defending our troops, Nation, and our global interests. Is it the Committee's intent to ensure that such on-going programs that are nearing completion receive a priority for consideration of these funds?

Mr. STEVENS. The Senator from Maine is correct that this fund has been established for the distinct purpose of improving our military's ability to respond to chemical and biological warfare threats. It is the intent of this committee to see that the funds provided are wisely spent. I would say to the Senator from Maine that a program that has been supported by this committee in the past and is nearing completion should be appropriately considered for funding to ensure that the technologies are funded to completion, provided the technologies will enhance our ability to protect or deter a chemical and biological attack. To withhold funding for a promising, multi-year program just as it is achieving documented results would, in my view, be wasteful.

Ms. COLLINS. I thank the Senator for his illuminating words. If the distinguished ranking member would indulge me further, I would like to call to his attention a research initiative regarding food safety and security that is on the Committee's list of projects eligible for funding. This initiative is

one that holds great potential to protect our military from a chemical or biological threat. Does the Senator from Alaska share my view that this kind of a program ought to be a priority for the chemical and biological defense initiative fund?

Mr. STEVENS. I believe that threats to the food supply are very serious and they need to be addressed both in terms of protecting our deployed troops and also in terms of homeland security. We need to find a way to ensure that the food supply for our deployed troops is safe, just as we need to protect America's food supply. I definitely support a research initiative in this area.

Ms. COLLINS. Again, I thank the ranking member for his forthrightness, his knowledge and his determination to keep America strong. I also thank him for his continued leadership on defense and defense related issues. I believe that the Appropriations Committee deserves the thanks of the American people for the leadership the committee has shown in defending our nation from the threat of chemical and biological weapons. The chairman and ranking member are dedicated to America's defense and the committee staff have done outstanding work on this bill.

ENTERPRISE ARCHITECTURE

Mrs. FEINSTEIN. Mr. President, as the Senate considers the Fiscal Year 2003 Defense Appropriations Bill, I wanted to discuss briefly the current efforts at the Defense Department to design, install and implement an enterprise architecture to perform financial activities at the Department. This has been a major undertaking, and the ultimate goal is to have at the Department a modern, state-of-the-art, integrated system that will perform business processes and financial activities in numerous fields, including logistics, health care, accounting, finance, and personnel.

The financial management challenges at the Department are no secret to the Senate Defense Appropriations Subcommittee. Last year, Congress provided the Department \$100 million to start the financial management reform initiative, and this year, the Department requested more than \$96 million to continue the reform program. According to the Department, financial management reform would reduce the approximately 967 stand-alone systems currently generating financial data.

In the current fiscal year, we have seen signs of progress. On April 9, the Department selected International Business Machines to develop the financial management enterprise architecture. IBM, along with several leading information technology firms, and under the direction of the Department's Financial Management Modernization Program Office, will now design a blueprint for future Department investments in business management information technology. This blueprint is expected to be completed as early as March 2003.

While this is good news, the Committee report noted that this initiative has gotten off to a slow start. For example, a significant portion of the \$100 million provided last year was to go for systems improvements, and to undertake various pilot projects under these improved systems at the service branch level. However, despite the existence of these funds for these projects and with project teams already selected, they have not moved forward and the funds have not been spent.

With the IBM team engaged in architecture design, the current and next fiscal year would seem an appropriate opportunity to make the systems improvements, and undertake the various pilot projects that have already been funded. These pilots could enable the Department to test and analyze the nuts and bolts of integrated financial management processes. With problems already identified, solution sets, and "best practices" can be tested via the pilots and under the improved systems. This is consistent with one of the observations of the General Accounting Office, which noted, "it is critical to establish interim measures to both track performance against the department's overall transformation goals and facilitate near-term successes..." Also, at a recent conference here on Capitol Hill on Defense financial management modernization, a representative of IBM agreed that it was important to go forward on the pilot programs, stating that they were "vital" to the improvement of the business.

I see the distinguished chair and ranking member of the Defense Subcommittee on the floor, and would like to ask them if they agree with me that the Defense Department should utilize the funds previously provided by Congress to undertake needed systems improvements and pilot projects for financial modernization.

Mr. INOUE. I thank the Senator from California for her comments, and agree with her assessment. As she pointed out, with the Defense Department now in the process of designing its financial management architecture, it can use this time to move forward on various pilot projects, already funded, in order to modernize and test systems, identify potential challenges and problems, and incorporate solutions in the planning process.

Mr. STEVENS. The Chairman of the Subcommittee, and the Senator from California, also a distinguished member of the Defense Appropriations Subcommittee, are correct. In fact, as they both know, the committee report that accompanies this legislation directs the Secretary of Defense to submit semi-annual status reports to the relevant congressional committees.

Mrs. FEINSTEIN. I thank the Chair and Ranking Member of the Subcommittee for their comments and for their leadership on this very critical reform effort at the Department of Defense.

RAPID RESPONSE SENSOR NETWORKING FOR MULTIPLE APPLICATIONS

Mr. GRAHAM. Mr. Chairman, I rise with my colleague from Florida, Senator NELSON, to engage in a colloquy with Senator INOUE, the Chairman of the Defense Appropriations Subcommittee.

Senator NELSON and I rise to note the critical importance of the Rapid Response Sensor Networking for Multiple Applications. The project will bring together the new concept of Impromptu Wireless Network Technology and emerging new sensors for use in detection and quantification of high priority biological and chemical materials in several nationally important settings—most significantly, for real time detection and response to biological and chemical materials which threaten public health and safety, environmental integrity or industrial processes. I yield to Senator NELSON for a few words about this important program.

Mr. NELSON. I thank the Senator for yielding. New sensors are being developed at the University of North Florida which use polymer membrane and dye combinations to create analytical sensors based on photo induced charge movements. These sensors can be combined into relatively inexpensive easily produced families of sensors which will be able to respond to a range of targeted analytes appropriate to a particular area of risk or interest. This makes possible and readily usable real time field-based sample preparation and analysis—it will process data and deliver it via wireless communication to create real time models of sensor responses and measurements which are combined in GIS applications and other decision making tools to enable real time highly effective responses. The applications of this approach are highly varied, and include: a wide range of environmental monitoring strategies; early warning applications to protect food, water, and other systems from bioterrorism attacks; and monitoring of industrial processes.

Mr. GRAHAM. Yes, Senator NELSON that is correct. The University of North Florida has requested \$750,000 for this important, new project and I request conference report language to identify this program to be eligible for funding from the Chem-Bio Defense Initiatives Fund.

Mr. INOUE. I appreciate hearing about both Senators support of this program. I will review your request and will work to include language in the conference report.

CENTER FOR SOUTHEASTERN TROPICAL ADVANCED REMOTE SENSING

Mr. GRAHAM. Mr. President, I rise with colleague from Florida, Senator NELSON, to engage in a colloquy with Senator INOUE, the Chairman of the Defense Appropriations Subcommittee.

Senator NELSON and I note the critical importance of the Center for Southeastern Tropical Advanced Remote Sensing, CSTARS, at the Univer-

sity of Miami, and are thankful for the support of this critical program. The university has initiated the acquisition and construction of this regional satellite collection, processing and analysis facility in partnership with the U.S. Southern Command and other academic institutions. The Center will offer unprecedented capability in the southeastern United States to link with a broad range of low-Earth satellite orbiting systems. When made available to regional as well as to key partners like the Southern Command, these resources will provide a unique and much-needed capacity for environmental observation, climatic prediction and resource analysis, watershed and ecosystem assessment, and natural hazards monitoring critical to effective emergency response. I yield to Senator Nelson for a few words about this important program.

Mr. NELSON. I thank the Senator for yielding. CSTARS is of critical importance to the state of Florida and will make a strong contribution to the Southern Command mission, including drug interdiction, civil defense, and natural disaster mitigation.

The core fiscal year 2003 objectives are to complete Phase II of the station infrastructure and operational capabilities and initiate prototype use by the U.S. Southern Command and the National Imagery and Mapping Agency NIMA. Funds would be used to ensure direct down linking with satellite orbiting systems, such as SPOT2, 4 and 5, ENVISAT, ADEOS-II, LANDSAT and TERRA/AQUA.

The program is authorized is authorized in the Senate fiscal year 2003 Defense Authorization bill and report and is funded at a level of \$2.5 million in the House fiscal year 2003 Defense Appropriations bill and report. I request support for a funding level at a minimum of \$2.5 million for this critical program in the conference negotiations. Funding reductions below that level will cause delays in the program and delay the benefits to SOUTHCOM and NIMA.

Mr. INOUE. I appreciate being made aware of both Senators' support of this program and will do what we can to find funding of a minimum of at least \$2.5 million in the conference negotiations.

CMIS

Ms. LANDRIEU. I would like to ask my friend, the Chairman of the Defense Appropriations Subcommittee, Senator DANIEL INOUE, to engage in a discussion of several defense programs that are of vital importance to my home state of Louisiana and our national security.

Mr. INOUE. I welcome a conversation with the junior Senator from Louisiana and the Chairwoman of the Emerging Threats and Capabilities Subcommittee to the Senate Armed Services Committee.

Ms. LANDRIEU. I have been impressed by recent efforts undertaken by the Navy to create an Internet capable

database that would catalogue and inventory all spare parts necessary for repairs to Navy aircraft. It is a fact of life that the high stresses Navy pilots place on their aircrafts will cause significant wear and tear and require repairs. The Navy, at times, has been plagued by difficulties in locating the whereabouts of necessary parts. To remedy this problem, the Navy began to work on the Configuration Management Information System, or CMIS, to catalogue and inventory Navy aircraft parts and their whereabouts. With CMIS, Navy mechanics around the world, will be able to search through an Internet database to ascertain if the needed parts can be found on site. If not, they will be able to quickly learn where the nearest replacement part is located. With this knowledge, mechanics know where to turn for parts rather than conducting scatter-shot searches throughout the Navy to look for the part.

The CMIS program was funded last year in the Senate Defense Appropriations bill at a level of \$4,000,000. This year, the Senate authorized \$13,500,000 for CMIS, and the House appropriated \$4,000,000 for CMIS. I would hope, Senator Inouye, that you would agree on the need to create a centralized database to quickly identify the location of necessary parts to make repairs to Navy aircraft, and I would hope that you would agree that this program should be supported in Conference.

Mr. INOUE. I agree with the Senator from Louisiana that we must find efforts to expedite the return of our aircraft to service. We should not face delays in repairs because of logistical problems that could be solved rather easily using modern information technology. I will take an interest in this matter when the House and Senate conference on this bill.

Ms. LANDRIEU. I appreciate your support, Mr. Chairman, for CMIS. I want to discuss another program that will greatly improve the efficiency in which our military can deploy across the globe, and in doing so, save millions of dollars. The Field Pack-Up unit, or FPU, is a containerized storage system that is 100% strategically and tactically mobile that far exceeds the current storage bins we use to transport materiel across the country and around the world. Senator Inouye, as you are well aware, one of the greatest factors in determining how quickly the U.S. military can deploy to a theater in order to respond to a threat is the simple fact that it can take several months to transport the materiel our troops need to succeed. The FPU will reduce that transportation time frame, decrease the logistics footprint, and allow the military to move swiftly and efficiently. In turn, these logistical efficiencies will save millions of dollars each year.

The 3rd Infantry Aviation Brigade at Hunter Army Airfield in Georgia conducted a field test between the FPU and currently used storage bins. The

3rd Infantry Brigade determined that if the entire Brigade deployed to Kuwait, 2 C-5s would be needed using the FPU. Using traditional storage bins, 8 C-5s would be necessary to mobilize to Kuwait. The FPUs would save at least \$3,000,000 per deployment, according to the 3rd Infantry Brigade.

I am concerned, however, that the Army has not dedicated funds toward this transformational program that will greatly reduce the logistics footprint and save millions of dollars each year. Last year, the Senate appropriated \$5,000,000 for the FPU, but neither the House nor Senate funded the program this year. Senator Inouye, I know you are a champion of transformation, and I hope you would be willing to consider the utility the FPU could provide to our Armed Forces.

Mr. INOUE. The FPU is a great improvement to our logistics capabilities and the money saving potential is quite promising. You are correct to note that the time in which we respond to threats is largely determined by the rate in which we can mobilize our troops and transport the materiel necessary for them to do their jobs. I do look forward to working with you in the future on this promising program.

Ms. LANDRIEU. Mr. Chairman, I am also concerned about a health and welfare issue for our troops on the battlefield. We must ensure that we are providing them with the most nutritional meals possible to optimize their war fighting capabilities. The fatigue and stresses on the bodies of our war-fighters are unlike anything the average person could imagine. We must provide our troops with nutritious foods that provide necessary energy and are tailored to meet the rigors of combat. We cannot place our troops in unnecessary danger because of equipment failures, nor because the food they are consuming in combat does not provide them with the proper nutrition.

For several years the United States Army has been working on a Food Nutrition Program in conjunction with the Pennington Biomedical Research Center. The focus of this research is to develop meals that can be eaten on the battlefield which provide our troops with the nutrients necessary to fuel their bodies to meet the grueling demands of war-fighting. Senator Inouye, would you agree that this research should continue so we can optimize the performance of our troops?

Mr. INOUE. While rations have improved significantly since my service in World War II, there is always room for improvement. Well nourished soldiers fight better. It is that simple. I believe that this research is valuable to ensuring the combat capability of our troops.

Ms. LANDRIEU. Mr. President, I know my friend, the senior Senator from Hawaii, shares my concern about the future threats to our military and nation. As chairwoman of the Armed Services Committee's Subcommittee on Emerging Threats, it has become

very clear to me that while the current threats seem to come from madmen with explosives, tomorrow's terrorists may very well use cyberwarfare. For this reason, Louisiana and Georgia have been participating in a program known as the Picket Fence Initiative. It has brought together the Department of Defense, the Louisiana State Government, the federal presence within the state, as well as industries with responsibility for critical infrastructure. Together, we have established a collaborative network that monitors the types and methodologies of ongoing cyber attacks against these systems. Through these efforts, the Department of Defense is learning about the nature and variety of attacks on Louisiana's critical information networks, while companies and the Louisiana State government benefit from improved security technology. It is the kind of cooperative enterprise that should be a model for future homeland defense efforts. This program was authorized this year for \$4.5 million, and has been appropriated \$2 million in the House mark. Although we were unable to find additional funds within our bill to fully fund this program, I hope the Chairman will help me to protect the \$2 million in the House mark, and look for any additional funds that may be made available during conference.

Mr. INOUE. Mr. President, I share Senator Landrieu's concern about cyber-security, and agree that cooperative efforts like Picket Fence are an effective way for us to address the problem. I hope that we may find additional resources for this program at a later date.

Ms. LANDRIEU. I thank the distinguished Chairman and Senior Senator from Hawaii for taking time to participate in this colloquy. His leadership and management of this bill have been excellent. The people of Louisiana, Hawaii, and the United States are grateful for his lifetime of service to our Nation.

ARMED PILOTS

Mr. SMITH of New Hampshire. Mr. President, if I could have the attention of the Republican Leader for just a moment. I say to the leader, I had considered offering my armed pilots amendment on this bill, but after our discussions, and with the assurances that to the extent possible this would be one of the first items of business when we consider the homeland defense bill, I have agreed to withhold.

Mr. LOTT. I thank the senior Senator from New Hampshire. He has led the charge on the issue of arming pilots. I agree that this should be one of the first items that we consider on the homeland defense bill. It is my intention that this would be one of the first amendments offered from our side on the homeland defense bill.

Mr. SMITH of New Hampshire. I thank the leader. I know he is as concerned about safety in our skies as I am, and I appreciate his support. I look

forward to passing this important bipartisan initiative when we return from the August recess.

Mrs. FEINSTEIN. Mr. President: It is widely recognized that the Coast Guard is the nation's principal defense against illicit drug shipping and must become a barrier to terrorist attacks in which explosives or weapons of mass destruction may be headed for an American city on a ship or fast boat. I join with the distinguished Chair of the Defense Subcommittee, in commending the Senator from Alaska for his leadership role in establishing the HITRON mission in the United States Coast Guard.

The current fleet of eight MH-68A helicopters is stationed in Jacksonville, Florida and is active in the Caribbean. The fleet was temporarily deployed at the U.S. Coast Guard Station in San Diego for a demonstration. It was a complete success and as a result, Congressman BOB FILNER recently wrote the Commandant urging that he extend the current lease of eight or more MH-68A helicopters until a permanent DeepWater replacement is selected.

Both Congressman FILNER and I agree there is a critical requirement for off shore drug interdiction along the Mexican-Southern California coastline. Further, these helicopters can add anti-terrorist protection for the Port of San Diego. Therefore, based on the assumption the Coast Guard has the legal authority to enter this lease, I urge my colleagues to support extension of 5-year lease for eight MH-68 helicopters.

Mr. CONRAD. Mr. President, I rise to offer the Budget Committee's official scoring of H.R. 5010, the Department of Defense Appropriations Act for Fiscal Year 2003.

H.R. 5010 provides \$355.139 billion in discretionary budget authority, all classified as defense spending, which will result in new outlays in 2003 of \$239.472 billion. When outlays from prior-year budget authority are taken into account, nonemergency discretionary outlays for the Senate bill total \$349.777 billion in 2003.

The Appropriations Committee voted 29-0 on June 27 to adopt a set of non-binding sub-allocations for its 13 subcommittees totaling \$768.1 billion in budget authority and \$793.1 billion in outlays, which the committee subsequently increased to \$803.891 billion in outlays following the passage of the 2002 emergency supplementary bill. While the committee's subcommittee allocations are consistent with both the amendment supported by 59 Senators last month and with the President's request for total discretionary budget authority for fiscal year 2003, they are not enforceable under either Senate budget rules or the Balanced Budget and Emergency Deficit Control Act. While I applaud the committee for adopting its own set of sub-allocations, I urge the Senate to take up and pass the bipartisan resolution, which would make the committee's sub-allocations

enforceable under Senate rules and provide for other important budgetary disciplines.

For the Defense Subcommittee, the full committee allocated \$355.139 billion in budget authority and \$350.549 billion in total outlays for 2003. The bill reported by the full committee on July 18 is fully consistent with that allocation. In addition, H.R. 5010 does not include any emergency designations or advance appropriations.

I ask for unanimous consent that a table displaying the budget committee scoring of H.R. 5010 be printed in the RECORD.

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

H.R. 5010, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2003

[Spending comparisons—Senate-Reported Bill (in millions of dollars)]

	Defense	Mandatory	Total
Senate-reported bill:			
Budget Authority	355,139	278	355,417
Outlays	349,777	278	350,055
Senate committee allocation: ¹			
Budget Authority	355,139	278	355,417
Outlays	350,549	278	350,827
House-passed bill:			
Budget Authority	354,446	278	354,724
Outlays	349,315	278	349,593
President's request: ²			
Budget Authority	366,592	278	366,870
Outlays	354,754	278	355,032
SENATE-REPORTED BILL COMPARED TO:			
Senate committee allocation:			
Budget Authority	0	0	0
Outlays	-772	0	-772
House-passed bill:			
Budget Authority	693	0	693
Outlays	462	0	462
President's request:			
Budget Authority	-11,453	0	-11,453
Outlays	-4,977	0	-4,977

¹ The Senate has not adopted a 302(a) allocation for the Appropriations Committee. The committee has set non-enforceable sub-allocations for its 13 subcommittees. This table compares the committee-reported bill with the committee's sub-allocation to the Defense Subcommittee for information purposes only.

² The President requested total discretionary budget authority for 2003 of \$768.1 billion, including a proposal to change how the budget records the accrual cost of future pension and health retiree benefits earned by current federal employees. Because the Congress has not acted on that proposal, for comparability, the numbers in this table exclude the effects of the President's accrual proposal.

In addition, the President requested \$10 billion in unspecified War Reserve funds in his 2003 budget. On July 3, the President transmitted more information to the Congress regarding his request for those funds. Pending its review of the President's July request, the Appropriations Committee has reserved the \$10 billion in additional defense funds in its Deficiencies Subcommittee.

Notes: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.
Prepared by SBC Majority Staff, 7-31-02.

Mr. BURNS. Mr. President, there is no problem which more directly affects the security of our forces in the Middle East and particularly in Afghanistan than our ability to communicate with the local population. To solve this problem we must enhance DoD support on two technologies that are being sorely neglected—digital satellite radios and the solar panels which can permanently power them anywhere.

As a result of two satellites launched in the past three years there is now complete 64 channel digital radio satellite coverage of the entire middle east, Asia, and Africa. In parts of the Middle East such as Afghanistan there is double satellite coverage and therefore 128 clear highest fidelity radio broadcast channels are available. Unfortunately until now our government has made little use of this technology

which the private sector has already bought and paid for. This means that a superior method of communicating in the Middle East is not being used to support our troops who are or will be serving there.

What is virtually needed is a DoD program to jump start the dissemination of these satellite radio receivers to the local population surrounding our troops so that our messages of democracy and freedom can be brought to them in a variety of formats. Our troops vitally need the added security that the resulting increased local support for their mission will bring. Our troops also need periodically the ability to communicate directly with these people.

A jump start DoD program of adequate size to buy and disseminate or subsidize the price of receivers would lower their price to the point where the market would complete the job. Failure to start this process now would be tragically shortsighted.

A second private sector technology now being inadequately supported or neglected by our government is the solar panel technology which can permanently power these receivers wherever they are located. Both solar panels and widely available kerosene can be used to power these receivers in a region where both batteries and electricity are both critically scarce.

Afghanistan is a communications wasteland. Barely 30 percent of the population can read. Only 3 people in every 1,000 have a TV set; only 6 in every thousand have a radio. Given these statistics it is little wonder that a central government has so little power and regional warlords are so great a threat. The warlords have the megaphone and the security of our troops is severely imperiled as a result.

By contrast in both Iran and Iraq are over 70 TV's and 200 radios for each thousand people—still very low by western standards, but a huge multiple of the mass media now available in Afghanistan. In those countries we face different problems—a hostile state-controlled media and hostile governments which can jam our terrestrial transmissions. These are problems which increased DoD and U.S. government support for satellite radio could also solve.

I do not claim that our current efforts are non-existence. They are just hopelessly inadequate to the task at hand. When we first went into Afghanistan we dropped leaflets and relief packages containing single channel short wave radios many of which broke when they hit the ground. In a country where illiteracy rate is so high, the impact of any written material seems questionable. We sent C-130's to fly over areas where our troops were to broadcast to the single channel radios that survived the air drop. Now we are also spending considerable amounts of DoD and other money to build terrestrial transmitters to broadcast to the few radios that do exist in the country. These are laudable efforts but demonstrably inadequate to confront the task

before us. The comparative superiority of satellite radio in remote Afghanistan was demonstrated early this year by the enthusiastic response of our troops there who listened to the Superbowl thanks to 1,000 privately donated satellite receivers.

I earnestly request my chairman and ranking member to address this urgent matter of support for satellite radio both in the conference and in the conference report. I had planned to offer an amendment to begin to achieve the needed results. However, I realize we are not earmarking money as the House did in its bill. I do know that there is substantial support the House and the administration for satellite radio as an essential weapon in the war to combat terrorism and increase the security of our troops abroad. The investment required is small compared to the additional expense required on arms where we do not have adequate local support.

I also know existing programs and special interests will swallow up as much money as they can get. Thus a vital technology and existing capability like satellite radio will very likely suffer from inattention and neglect to the vast impairment of our overall war effort without some specific direction from us. I urge my colleagues in the conference not to let this happen. Please give satellite radio technology the specific and concrete support it needs and deserves.

Ms. LANDRIEU. I would like to express my strong support for Senator BURNS' remarks on the importance of DoD support for satellite radio technology and to get satellite receivers disseminated to the local populations where our troops are located. Their security and support is obviously of paramount concern to each and every one of us. This is one area upon both of our parties are in complete agreement.

I urgently hope that the conferees will work in the DoD bill to enhance and strengthen this superior method of mass communication via satellite radio which offers such promise in so many ways and in so many areas of the third world. Our existing approaches clearly fall critically short of meeting the urgent need to get our message heard. The time for action is now. We will pay a high price for any further delay.

I come to the floor today to join in discussion of a very important issue with the Chairman of the Defense Appropriations Subcommittee, the distinguished Senator from Hawaii, Senator INOUE.

The Defense Appropriations bill before us will provide \$20,470,000 for historically black colleges and universities. This is a relatively small part of the overall defense bill, but an important part, beneficial to both the Defense Department and the universities.

Senators from many states, particularly those from states which are home to a historically black college or university, have always come together to

support any initiative which would greatly benefit our young African Americans and thus, our country. Just such an opportunity was presented to us recently by the Air Force Research Laboratories at Wright-Patterson Air Force Base in Ohio.

The program assigns defense research projects to historically black universities, including Southern University in Baton Rouge, Louisiana, and other universities in Texas, Alabama, and Georgia to undertake work identified by the Defense Department. These universities and their students also team with small businesses to accomplish a major portion of the work.

The benefits of this program are many, beginning with greater opportunities for these schools, and extending the range of options students have for their career choices. There may even be the added benefit that these students may choose to join their military peers full time. We know that by 2006, two out of every five federal employees will be eligible for retirement. We will have to find a new pool of talent who wants to work in federal service.

We also know that only 15 percent of African Americans are earning college degrees. For comparison, this percentage is two-thirds higher for white Americans. We also know that African Americans who earn an advanced degree can nearly double their annual average salary. Clearly, steering more African American students into the science and engineering field is one way to accomplish this goal. The U.S. government will also benefit by bringing these students into the field of defense research.

I ask the Chairman, wouldn't you agree that this is the kind of program that should be funded through appropriations for HBCU?

Mr. INOUE. The Senator from Louisiana is correct. This program certainly seems to be in line with the types of projects funded under HBCU. I would encourage the Department of Defense to support the program the Senator from Louisiana has identified.

Ms. LANDRIEU. I thank the Chairman. I also thank Southern University for the wonderful work they do. This college started in 1880 with just 12 students and 5 faculty. It has grown to become a university with three campuses, offering 152 degree programs and a law school.

This is typical of the huge success stories we find among many of the historically black colleges and universities all over the United States. This program which I encourage today, will allow them to take an even greater step into uncharted territory and be a competitive force in the defense research field.

Ms. CANTWELL. Mr. President, I rise to join my colleagues, the esteemed chair and ranking member of the Defense Appropriations Subcommittee in supporting the withdrawal of the McCain amendment, which would unwisely scuttle an im-

portant program that was approved last year on this same bill by the Senate in an overwhelming 94-4 vote.

I further applaud the Senator for the amendment that he successfully included into this bill that would require that the transport lease program will be fair, open and competitive and conform to the Competition and Contracting Act.

However, I think that the Senator from Arizona is off the mark in his attempts to undermine this particular program. The transport plane lease program approved last year is a much-needed priority, and it has been specifically requested by the Department of Defense and the Air Force.

These transport planes are a crucial element of an efficient deployment of our national security strategy and they are in dire need of modernization.

At any given time, world events may require the Nation's leaders to be dispatched simultaneously on diplomatic missions. These missions are essential in peace and war when diplomacy and negotiation become critical to the settlement of conflict, whether in the Middle East, the sub-continent, Bosnia, or the myriad other hot spots in which U.S. leadership is necessary to calming conflict and saving lives.

To get these leaders to the places, we need transport aircraft that are efficient, modern and up to the task.

Both physical and communications security are integral to the mission because principals and their staffs must conduct business en route. In addition, mission protocol dictates the frequent use of civilian airports, which require commercial planes.

The Air Force and the Administration needs these planes, and the Air Force and our esteemed colleagues in the Defense Appropriations Subcommittee have developed a creative and effective solution that will meet this need: an operating lease.

The leasing option would allow the Air Force to amortize the majority of upfront acquisition costs over the life of lease, and at no additional cost, since the leasing money comes from existing operation and maintenance funds. This allows flexibility by allowing the Air Force to purchase the aircraft at any point in the lease, and also accelerates the acquisition while maintaining existing procurement priorities.

We need planes, and particularly given the current geopolitical context, including crises in Iraq, Afghanistan, Pakistan, Iran, and the Middle East, we need them now. The leasing program that was overwhelmingly by this Chamber last year was the right thing to do then and it continues to be the right thing to do.

Mrs. MURRAY. Mr. President, I rise to support the withdrawal of the amendment offered by the Senator from Arizona.

I am opposed to the McCain amendment which would attempt to redefine an issue the entire Congress has already endorsed and the President has signed into law.

I spoke about this amendment last evening and will only make brief remarks today.

I want to begin by associating myself with the remarks of Senator STEVENS and Senator INOUE. Both of these Senators have committed an enormous amount of time to work on this important issue. I know, all Senators know, that when Senator DAN INOUE and Senator TED STEVENS speak about tankers, their ultimate interest is the safety of the men and women in uniform who are protecting our country. I am proud to have worked closely with Senator INOUE and Senator STEVENS to win approval for the leasing provisions in last year's Defense Appropriations measure.

Senator MCCAIN ask the Senate to again require authorization for the lease of aircraft. Senator MCCAIN's language is specific to the proposed 737 lease but his rhetoric and his ultimate objective is to scuttle any potential lease deal regardless of whether it is for a 737 aircraft or 767 aircraft.

As I stated last evening, I am puzzled that this issue continues to come up.

Not long ago, the Senate considered the Defense Authorization legislation. The Senator from Arizona sits on the committee. That was the bill to have this debate. This Senator complains that the Appropriations bill is the wrong place to authorize. Yet, here we are considering an authorizing amendment offered by the Senator from Arizona on an appropriations bill. It makes little sense to me. This is the wrong place to have this debate.

The Senator wants to scuttle the 737 lease recently announced by the Air Force. Importantly, that lease deal has been sent to the Armed Services Committee and the Defense Appropriations Subcommittee in both the House and Senate for review and comment. And, it is my understanding, that all four panels have reviewed and approved of the lease and the Air Force justification for the lease.

Last year, both the Senate and the House supported the language in the Defense Appropriations bill giving the Air Force the authority to move forward with lease discussions. The President signed the bill into law after the provisions were carefully scrutinized by the Office of Management and Budget. And now, with an actual lease deal proposed, the four relevant panels have signed off on an actual deal.

Yet, the Senator from Arizona persists in his attempts to scuttle an Air Force lease. Senator MCCAIN has succeeded in making sure that this issue is thoroughly reviewed. It has been reviewed. The Senator clearly does not like the outcome of the review and he now wants the Senate to start the process over again and give him additional time to delay a legitimate need of our military.

The Senator also talks about competition. Here's what is really at stake. The Senator from Arizona wants to open the doors to the Air Force and the

Department of Defense to Airbus. One U.S. company manufactures commercial aircraft of this type. One and only one U.S. company can meet the Air Force needs.

The Senator is not talking about asking the Air Force to choose between Ford and Chevrolet. The Senator from Arizona is asking the Senate to decide whether U.S. workers or European workers will manufacture U.S. military aircraft. That's a simple choice for me. U.S. taxpayers should not be asked to undermine the lone U.S. manufacturer of aircraft. U.S. taxpayers should not be asked to subsidize Airbus.

I want to remind my colleagues again what the Secretary of the Air Force, James Roche, wrote to me in a letter on the tanker issue, quote: "The KC-135 fleet is the backbone of our Nation's Global Reach. But with an average age of over 41 years, coupled with the increasing expense required to maintain them, it is readily apparent that we must start replacing these critical assets. I strongly endorse beginning to upgrade this critical warfighting capability with new Boeing 767 tanker aircraft."

Those are the words of the Secretary of the Air Force. The Air Force wants to move forward with the lease option. Congress voted for the lease last year. The President signed the lease option into law. And the relevant committees have just approved the lease terms proposed by the Air Force for 737 aircraft.

I encourage my colleagues to again support this important option to lease aircraft, to get assets into the field that are of great importance to our men and women in uniform.

Mr. WELLSTONE. Mr. President, I rise to address the subject of our Nation's security needs in the context of the Defense appropriations bill presently before the Senate.

I believe we must provide the best possible training, equipment, and preparation for our military forces, so they can effectively carry out whatever peacekeeping, humanitarian, warfighting, or other missions they are given. They deserve the targeted pay raises of 4.1-6.5 percent, the incentive pay for difficult-to-fill assignments, and the reduced out-of-pocket housing costs from the current 11.3 percent to 7.5 percent contained in this bill. The bill would also fully fund active and reserve end strengths, including an additional 724 positions for the Army National Guard, which will hopefully ease the current burden on our overstretched men and women in uniform. For many years running, those in our armed forces have been suffering from a declining quality of life, despite rising military Pentagon budgets. The pressing needs of our dedicated men and women in uniform, and those of their families, must be addressed as they continue to be mobilized in the war against terrorism. This bill goes far in addressing those needs, and I will vote for it today.

I am also supporting the bill because it contains two important amendments that I offered. The first would bar any funds in this bill from being used to enter defense contracts with U.S. companies who incorporate overseas to avoid U.S. taxes.

Former U.S. companies who have renounced their citizenship currently hold at least \$2 billion worth of contracts with the Federal Government. I do not believe that companies who aren't willing to pay their fair share of taxes should be able to hold these contracts. U.S. companies, who play by the rules, who pay their fair share of taxes, should not be forced to compete with bad actors who can undercut their bids because of a tax loophole.

In the last couple of years a number of prominent U.S. corporations, using creative paperwork, have transformed themselves into Bermuda corporations purely to avoid paying their share of U.S. taxes. These new Bermuda companies are basically shell corporations: they have no staff, no offices, and no business activity in Bermuda. They exist for the sole purpose of shielding income from the IRS.

U.S. tax law contains many provisions designed to expose such creative accounting and to require U.S. companies that are foreign in name only to pay the same taxes as other domestic corporations. But these bad corporate former-citizens exploit a specific loophole in current law so that the company is treated as foreign for tax purposes, and therefore pays no U.S. taxes on its foreign income.

The loophole gives tens of millions of dollars in tax breaks to major multinational companies with significant non-U.S. business. It also puts other U.S. companies unwilling or unable to use this loophole at a competitive disadvantage. No American company should be penalized staying put while others renounce U.S. "citizenship" for a tax break.

Well, the problem with all this is that when these companies don't pay their fair share, the rest of American tax payers and businesses are stuck with the bill. I think I can safely say that very few of the small businesses that I visit in Detroit Lakes, MN, or Mankato, in Minneapolis, or Duluth can avail themselves of the Bermuda Triangle.

They can't afford the big name tax lawyers and accountants to show them how to do their books Enron-style but they probably wouldn't want to anyway if it meant renouncing their citizenship. So the price they pay for their good citizenship is a higher tax bill.

My amendment closes this loophole. We all make sacrifices in a time of war, the only sacrifice this amendment asks of Federal contractors is that they pay their fair share of taxes like everybody else.

The bill also contains a second amendment which would significantly improve the Department's response to domestic violence. I was deeply concerned to hear about the four domestic

violence homicides that occurred over the past six weeks at Fort Bragg in North Carolina. But these incidents, while unusual in that they are clustered within such a short time, are not unique. The military reports 207 domestic violence homicides since 1995.

My amendment, which is based on the recommendations of the Department's Defense Task Force on Domestic Violence, would ensure that funds are available to establish an impartial, multi-disciplinary Domestic Violence Fatality Review Team at the Military Community and Family Policy Office. It would also help the Department ensure that there are victim's advocates at every military installation to provide confidential support and guidance exclusively to victims, by providing \$10 million for this purpose. Finally, the amendment would require that the Secretary report to Congress on progress in implementing the recommendations of the Task Force.

In the introduction to its first report, the Task Force wrote, "Domestic Violence is an offense against the institutional values of the Military Services of the United States of America. It is an affront to human dignity, degrades the overall readiness of our armed forces, and will not be tolerated in the Department of Defense." I do not think anyone who has followed the recent events in North Carolina would disagree.

I also believe the bill addresses some of the serious flaws in the process by which the Defense Department summarily terminated the Crusader Artillery system. I strongly believe in fair, transparent, and informed government-decision making processes, which did not occur in the case of the Crusader. Three Defense secretaries, three Army secretaries, and three Army chiefs of staff, as well as numerous administration officials, testified in support of the Crusader. Yet within a few weeks of this testimony, the Secretary of Defense abruptly terminated the Crusader. The decision was made without consultation with the Joint Chiefs of Staff, without consultation with the Army, and without consultation with members of Congress. The Defense Authorization bill then required the Army Chief of Staff and Secretary of Defense to conduct a serious study of the best way to provide for the Army's need for indirect fire support. At the same time, it provided the Secretary of Defense, following the study, a full range of options. These include termination to continued funding of Crusader, to funding alternative systems to meet battlefield requirements. That report having been completed, the bill before us expresses concern about the way the termination was proposed, and instructs the Army to move forward with a follow-on contract immediately to leverage the Crusader technology to field a lighter, more mobile cannon in 2008. This is good news for the workers and officials at the United Defense Industries plant in Minnesota, whose ad-

vanced skills and expertise will be necessary for the success of this new cannon.

I also have concerns about the bill, especially about its missile defense provisions. The Defense Authorization bill reported out by the Armed Services Committee would have cut total funding for missile defense from \$7.6 billion to \$6.8 billion. Unfortunately, the Senate adopted an amendment to restore the entire \$814 million, with the President given the option of spending funds on either missile defense programs or on counter-terrorism. This bill retains this change. I would have preferred that the cut be restored, and if not, that the President at least be required to use the funds solely for counter-terrorism.

I've long been a critic of Ballistic Missile Defense, BMD, and I still have strong reservations about the feasibility, cost and rationale for such a system. When I addressed missile defense on the Senate floor on September 25, just 2 weeks after terrorists destroyed the World Trade Center, I argued that pressing ahead on BMD would make the U.S. less rather than more secure. Instead, I suggested the Senate give homeland defense the high priority it deserves by transferring funds to it from missile defense programs. But the administration obviously didn't agree and approved only \$26 million.

In conclusion, I believe in maintaining a strong national defense. We face a number of credible threats in the world today, including terrorism and the proliferation of weapons of mass destruction. We must make sure we carefully identify the threats we face and tailor our defense spending to meet them. We could do a better job of that than this bill does, and I hope that as we move to conference, the committee will make every effort to transfer funds from relatively low-priority programs to those designed to meet the urgent and immediate anti-terrorism and defense of our forces.

Mr. BURNS. Mr. President, I rise today to speak about an issue that is of great importance to me, the retention of key military personnel in our Armed Forces. It has been brought to my attention that in order for us to retain top notch military personnel, we need to, among other things, improve the quality of family life on our military bases. I believe that we need to do everything in our power to improve the morale and welfare of our military personnel and their families. I also commend the President and the managers of this bill, as I believe this year's Department of Defense appropriations bill goes a long way to this end.

In working toward this, we should do what we can to provide our Armed Forces with access to training in cutting-edge technologies. We can improve the quality of military family life, while at the same time provide military personnel and their families with valuable lifelong employable techno-

logical skill sets. This may even have the ancillary benefit of providing families and service personnel technology training applicable in both military and civilian settings and could help provide service personnel and their family members with the technological currency critical to excelling in today's society as Web designers, 3-D animators, programmers, media artists.

The men and women of our Armed Forces, whether they be active duty, Guard or Reserve, stand ready to aid both State and Nation when called upon. They come from all walks of life and all corners of this great country. They sacrifice time with their families, so that when they are called upon, both here and abroad, they honor the call and give their very best to those they serve. I believe that it is our duty to honor their commitment to us by providing them with the tools they need to be their best and the resources they need to compete in today's competitive environment.

Unfortunately due to funding constraints and the numerous worthy programs included in this year's bill, funding was not available for a couple of projects which may have value in this regard. I hope Congress gives consideration to these programs next year.

I want to make sure that during this time, when we are spending so much funding on equipment, ammunition, etc., and rightly so, that we do not lose sight of the importance of quality of life issues. We can have all of the cutting-edge technology and fancy machinery that money can buy, but it means nothing and is useless without our brave men and women behind it.

Mr. INOUE. Mr. President, in a few moments, Senators will be called upon to cast their votes on the Defense appropriations bill. At this moment, I wish to express my gratitude to the Senator from Alaska for his cooperation in moving this bill through the Senate.

This is a massive spending bill totaling more than \$355 billion. With the cooperation of Senator STEVENS and his Republican colleagues, we were able to work through the issues of this bill with comity and a minimum of controversy. The defense of our Nation is too important to be a matter of partisan politics. My friend, Senator STEVENS, knows that and follows that in all of his actions, and so I thank him and his staff for all their hard work: His chief assistant, Mr. Steve Cortese, and Ms. Sid Ashworth, Mr. Craig Siracuse, Ms. Alycia Farrell, and Ms. Nicole Royal.

Finally, Mr. President, I wish to acknowledge the hard work of my staff. They put in very long hours year round but especially as we seek to act on the annual appropriations bill. I express my deep gratitude to them as well: Mr. Charles Houy, Mr. David Morrison, Ms. Susan Hogan, Ms. Mazie Mattson, Mr. Tom Hawkins, Ms. Lesley Kalen, Ms. Menda Fife, and Ms. Betsy Schmid.

Mr. President, finally I say to all my colleagues, this is a very good bill, and I urge all Senators to vote for it.

I am prepared to yield back the remainder of my time.

Mr. BYRD. Mr. President, will the Senator yield me a minute?

Mr. INOUE. I am pleased to yield.

Mr. BYRD. I thank the Senator. Mr. President, Scriptures say:

Seest thou a man diligent in his business? he shall stand before kings. . . .

These two Senators are diligent in their business. They are experienced legislative craftsmen, and they have studied this subject for many years. In defense of our country, they have traveled all over the globe searching for answers to questions, searching for solutions to problems, and coming back to the Senate and applying their experience, their knowledge to the problems at hand. The Senate is in their debt.

I personally thank them for the good work they have done on this bill, the good work they always do. The Nation is in their debt. I thank them both.

Mr. INOUE. I thank my chairman.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. I yield back my time.

Mr. INOUE. Mr. President, I yield back the remainder of our time.

The PRESIDING OFFICER. All time is yielded back. Under the previous order, the committee-reported substitute is agreed to.

The committee amendment in the nature of a substitute, as amended, was agreed to.

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

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. INOUE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The PRESIDING OFFICER. The question is, Shall the bill, H.R. 5010, as amended, pass? The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) is necessarily absent.

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

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote "yea".

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

The result was announced—yeas 95, nays 3, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—95

Allard	Dorgan	Lugar
Allen	Durbin	McConnell
Baucus	Edwards	Mikulski
Bayh	Ensign	Miller
Bennett	Enzi	Murkowski
Biden	Feinstein	Murray
Bingaman	Fitzgerald	Nelson (FL)
Bond	Frist	Nelson (NE)
Boxer	Graham	Nickles
Breaux	Gramm	Reed
Brownback	Grassley	Reid
Bunning	Gregg	Roberts
Burns	Hagel	Rockefeller
Byrd	Harkin	Santorum
Campbell	Hatch	Sarbanes
Cantwell	Hollings	Schumer
Carnahan	Hutchinson	Sessions
Carper	Hutchison	Shelby
Chafee	Inhofe	Smith (NH)
Cleland	Inouye	Smith (OR)
Clinton	Jeffords	Snowe
Cochran	Johnson	Specter
Collins	Kennedy	Stabenow
Conrad	Kerry	Stevens
Corzine	Kohl	Thomas
Craig	Kyl	Thompson
Crapo	Landrieu	Thurmond
Daschle	Leahy	Torricelli
Dayton	Levin	Warner
DeWine	Lieberman	Wellstone
Dodd	Lincoln	Wyden
Domenici	Lott	

NAYS—3

Feingold	McCain	Voinovich
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NOT VOTING—2

Akaka	Helms
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The bill (H.R. 5010), as amended, was passed, as follows:

Mr. BOND. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendments and requests a conference with the House on the disagreeing votes of the two Houses.

The Presiding Officer appointed Mr. INOUE, Mr. HOLLINGS, Mr. BYRD, Mr. LEAHY, Mr. HARKIN, Mr. DORGAN, Mr. DURBIN, Mr. REID, Mrs. FEINSTEIN, Mr. KOHL, Mr. STEVENS, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, Mr. BOND, Mr. MCCONNELL, Mr. SHELBY, Mr. GREGG, and Mrs. HUTCHISON conferees on the part of the Senate.

ORDER OF PROCEDURE

Mr. DASCHLE. I ask unanimous consent the next vote be 10 minutes in duration.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF HENRY E. AUTREY, OF MISSOURI, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF MISSOURI

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the nomination of Henry E. Autrey, of Missouri, to be United States District Judge, which the clerk will report.

The assistant legislative clerk read the nomination of Henry E. Autrey, of Missouri, to be United States District Judge for the Eastern District of Missouri.

The PRESIDING OFFICER. Who yields time?

Mr. LEAHY. Mr. President, the Senate Judiciary Committee moved expeditiously to consider Judge Henry Autrey despite the poor treatment of President Clinton's nominees in the same circumstances. I mention this because this vacancy is special. It is a vacancy to which Justice Ronnie White should have been confirmed. But in October of 1999, my friends on the other side of the aisle, the Republicans, marched from a closed-door meeting to vote lockstep against Justice Ronnie White, the first African American Justice of the Missouri Supreme Court, after his nomination to the District Court had been kept waiting for 2 years—2 years here in the Senate; actually kept on the Executive Calendar pending for 9 months.

I mention this because, with all the unfair criticism of Majority Leader DASCHLE, who has been moving judges through at a much faster pace than was done prior to him becoming majority leader, I just want to contrast the difference between that action and the one on this nomination, where we are going to confirm Judge Autrey to the Federal bench in Missouri.

It shows, also, Senator CARNAHAN showed far more grace in helping us move this nominee forward.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Missouri.

Mr. BOND. Mr. President, first my appreciation to the President for nominating Judge Autrey. My thanks to Chairman LEAHY and the Senate Judiciary Committee for voting unanimously to confirm him.

We will have discussions about other procedures and other activities in a different forum. In this forum, I express my strongest support and highest confidence that this candidate respects the role of judges in our system of government—the job being to interpret the job rather than to legislate it.

Permit me to tell you that Judge Henry Autrey currently serves as a circuit court judge for the 22nd Judicial Circuit for the State of Missouri, City of St. Louis. Judge Autrey served with distinction as an associate circuit judge beginning in 1986, a position to which he was appointed by then-Governor, John Ashcroft. He was later promoted to the full circuit bench by then-Governor of Missouri, Mel Carnahan.

As a sitting judge for over 15 years, Judge Autrey has displayed an unwavering commitment to honesty and approachability, earning a reputation as a thoughtful and hard-working judge with a judicious temperament.

Prior to his service on the bench, he served as a prosecutor in the City of

St. Louis for 9 years, won convictions in several high-profile cases, and led the office in its work in the area of child abuse prosecution.

His entire career has been spent in the courtroom and therefore he exemplifies someone who has both the personal qualities and the experience to fill this spot and perform this duty in an exemplary manner. He is highly regarded by the law enforcement community in St. Louis. Countless attorneys have expressed their support for him. He has the support of the Mound City Bar Association of St. Louis, the Missouri Prosecuting Attorneys, and the Women Lawyers Association of Greater St. Louis.

He is an ideal candidate for the position.

I appreciate the Senate proceeding to this nomination, and I urge my colleagues to give Judge Autrey their favorable consideration. I reserve my time.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. I inform my colleagues when we conclude this series of votes, whatever the number may be—and we will clarify that after this vote—that will conclude the rollcalls for this week. So I urge my colleagues to stay on the floor.

This is a 10-minute vote, and whatever additional votes will be 10-minute votes. If we have to wait 15 or 20 minutes, it just prolongs the time until we will have completed our work on this block of votes and then, therefore, the final, official vote of the week.

So I urge my colleagues to stay on the floor and respond to the votes as their names are called.

I thank the Chair.

Mr. HATCH. Mr. President, I rise today in support of the nomination of Henry E. Autrey to the U.S. District Court in the Eastern District of Missouri.

I have enjoyed reviewing Judge Autrey's distinguished legal record, and I am confident that he will make a fine Federal judge.

Judge Autrey is no stranger to the citizens of eastern Missouri. He has strong roots in the city of St. Louis, having graduated from the University of St. Louis School of Law and having served in the city's Office of the Circuit Attorney, where he prosecuted a variety of criminal cases and later acted as the First Assistant Circuit Attorney. He also served on the Rape Trial Task Force and created the first child abuse unit in the Office of the Circuit Attorney. From 1991 to 1997 he served as Adjunct Professor of Law at St. Louis University School of Law.

Judge Autrey's prosecutorial excellence attracted the attention of both Republican Governor John Ashcroft, who appointed him as an Associate Circuit Judge on the Circuit Court of the City of St. Louis in 1986, and Democratic Governor Mel Carnahan, who elevated him to Circuit Court Judge in 1997. Judge Autrey's judicial experience

on the State bench will serve him well in the district court.

Judge Autrey is described by associates as a judge who "work[s] very hard to ensure that justice is provided to all" and as a "smart and hard-working jurist." He merited an ABA rating of "Unanimous Qualified," and I fully expect him to serve with distinction on the Federal bench in Missouri.

Mr. LEAHY. Mr. President, the Senate Judiciary Committee moved expeditiously to consider Judge Henry Autrey as it has with so many of President Bush's judicial nominees. We have done so despite the poor treatment of President Clinton's nominees by the Republicans when they were in the majority from 1995 through the first half of 2001.

The vacancy being filled by this nomination is special. This is the vacancy that Justice Ronnie White should have been confirmed to fill. But on October 5, 1999, Republicans marched from their closed-door meeting to vote lockstep against Justice Ronnie White. This, even though he had been favorably reported twice by the Judiciary Committee with the apparent backing of from four and seven of the Republicans who served on the committee.

I remember the treatment of Ronnie White very well, as do people in Missouri, I am sure. I recall the efforts made by Gov. Mel Carnahan on Justice White's behalf and how hard I had to work as the ranking Democrat to get his nomination reported to the floor, not once but twice, and to secure a floor vote after the nomination had been pending 2 years and had been pending on the Senate Executive Calendar for 9 months.

It has now been almost 5 years since anyone nominated to the Federal district court in Missouri has been confirmed. The vacancy to which Judge Autrey has been nominated has been vacant even longer—since December 1996, when the late Judge Gunn took senior status. President Clinton nominated Missouri Supreme Court Judge Ronnie White to this vacancy in June 1997. He had to wait nearly a year for a hearing, until May 1998. The committee reported the nomination favorably to the Senate with only three negative votes of the 18 members of the committee. But his nomination sat waiting for a full Senate vote, and, having never received one, was sent back to President Clinton at the end of the 105th Congress after languishing for 6 months on the Senate floor without action.

The President renominated Justice White in January of 1999. He was voted out of the committee a second time in July with at least four of the Republicans on the committee in apparent support of the nomination. After a great deal of effort on the part of Democratic Senators, I thought we had secured for him a fair floor vote. Instead, on October 5, 1999, the Republican-controlled Senate ambushed Justice White's nomination for partisan

gain. As is by now a well-known story, Ronnie White was the victim of a sneak attack on that day. He was defeated on an unprecedented party-line Senate vote and was branded "pro-criminal." These issues were aired during the confirmation hearing of John Ashcroft last year. Senator SPECTER, to his credit, offered an apology to Justice White for the way he was treated.

When there is so much unfair criticism of the way Majority Leader DASCHLE and I have been handling nominations since the change in Senate control last July, I mention this to help contrast the treatment of judicial nominees by Democrats and Republicans. As I have said from the outset, the Democratic majority is treating President Bush's nominees more fairly and moving more of them more quickly than the Republican majority acted with respect to President Clinton's nominees. That is undeniable and today, in yet another example of the stark contrast in our approaches and our actions, we will join to confirm Judge Autrey to the Federal bench in Missouri.

I commend, in particular, Senator CARNAHAN for her support of the fair treatment of Judge Autrey, despite the unfair way Justice White had been treated. Her actions underscore for us what we all know about her that she is a person of character and grace, willing to work on a bipartisan basis in the best interests of the State of Missouri.

With today's vote on the nomination of Judge Henry Autrey to the District Court for the Western District of Missouri, the Democratic-led Senate will have confirmed a total of 65 judicial nominees since the change in Senate majority 1 year ago. The Senate has now confirmed more nominees in a little more than 1 year than were confirmed in any year during the past 6½ years of Republican control of the Senate, from 1995 through 2001. For that matter, we have confirmed more judges than were confirmed in 1996 and 1997 combined. Contrast the 65 judges confirmed by the Democratic Senate with the Republican average, during their past 6½ years of control, of confirming only 38 judges a year.

I congratulate the nominee and his family on his confirmation today and commend Senator CARNAHAN and Majority Leader DASCHLE for all they have done to bring us to this day.

The PRESIDING OFFICER. Who yields time? Is all time yielded back?

Mr. BOND. I yield my time.

Mr. LEAHY. I yield any time we have.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Henry E. Autrey, of Missouri, to be United States District Judge for the Eastern District of Missouri?

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), is necessarily absent.

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?

[Rollcall Vote No. 205 Ex.]

YEAS—98

Allard	Durbin	McCain
Allen	Edwards	McConnell
Baucus	Ensign	Mikulski
Bayh	Enzi	Miller
Bennett	Feingold	Murkowski
Biden	Feinstein	Murray
Bingaman	Fitzgerald	Nelson (FL)
Bond	Frist	Nelson (NE)
Boxer	Graham	Nickles
Breaux	Gramm	Reed
Brownback	Grassley	Reid
Bunning	Gregg	Roberts
Burns	Hagel	Rockefeller
Byrd	Harkin	Santorum
Campbell	Hatch	Sarbanes
Cantwell	Hollings	Schumer
Carnahan	Hutchinson	Sessions
Carper	Hutchison	Shelby
Chafee	Inhofe	Smith (NH)
Cleland	Inouye	Smith (OR)
Clinton	Jeffords	Snowe
Cochran	Johnson	Specter
Collins	Kennedy	Stabenow
Conrad	Kerry	Stevens
Corzine	Kohl	Thomas
Craig	Kyl	Thompson
Crapo	Landrieu	Thurmond
Daschle	Leahy	Torricelli
Dayton	Levin	Voinovich
DeWine	Lieberman	Warner
Dodd	Lincoln	Wellstone
Domenici	Lott	Wyden
Dorgan	Lugar	

NOT VOTING—2

Akaka

Helms

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is laid on the table, and the President will be immediately notified of the Senate's action.

The majority leader.

Mr. DASCHLE. Mr. President, it is now my intention to go to seven additional district court nominees. Senator LEAHY and the Judiciary Committee have done an extraordinary job of reporting these out. They have been on the calendar. And it is certainly Senator LEAHY's prerogative to ask for a rollcall vote on each nominee.

He and I have discussed this matter, and I would ask the Senator from Vermont, the distinguished chair of the Judiciary Committee, about the need to have additional rollcalls for each of these district judges.

I yield the floor for that purpose.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I tell the distinguished majority leader, the only concern I have had about having rollcall votes is, a couple times we have taken a group of these and had voice votes, with seven, eight going through, and the next day my good friends on the other side of the aisle and the White House have had a press release saying we have not had a single judge

voted on in weeks in the Senate. I think they only notice it if there is a rollcall vote.

I ask my friend, the majority leader, if we do these 7, am I correct that would mean we will have confirmed 72 judges in less than 13 months?

Mr. DASCHLE. Mr. President, that is the current count, 72 district and circuit court judges over that period of time.

Mr. LEAHY. I believe that sets sort of a record for the last 5 or 6 years, in any event.

Mr. President, I know some of my colleagues have the sprint-for-the-airport look in their eye, trying to get home.

I am willing to sacrifice my time and spend the next month, the month of August, in Vermont, close to my constituents, onerous as that may seem.

I would be perfectly willing to accept voice votes on each of these seven judges, but I would just ask my friends: Please, don't issue a press release tomorrow saying that we only voted on one judge today.

We have already voted on one. I will take voice votes on the others.

Mr. DASCHLE. Mr. President, I thank the distinguished chair of the Judiciary Committee. I appreciate very much his cooperation in this regard.

Let me tell my colleagues who need to remember, even though we are going through these voice votes, there is one more rollcall vote on the conference report on the trade promotion authority legislation.

I ask unanimous consent that the Senate proceed to consider the following nominations and that they be considered individually: Executive Calendar Nos. 863, 864, 865, 866, 867, 887, and 888.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF RICHARD E. DORR TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF MISSOURI

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read the nomination of Richard E. Dorr, of Missouri, to be United States District Judge for the Western District of Missouri.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Richard E. Dorr, of Missouri, to be United States District Judge for the Western District of Missouri?

The nomination was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mrs. FEINSTEIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOMINATION OF DAVID C. GODBEY TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS

The PRESIDING OFFICER. The clerk will report the next nomination.

The senior assistant bill clerk read the nomination of David C. Godbey, of Texas, to be United States District Judge for the Northern District of Texas.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of David C. Godbey, of Texas, to be United States District Judge for the Northern District of Texas?

The nomination was confirmed.

Mr. DASCHLE. Mr. President, we will move to reconsider all of these nominations en bloc and notify the President once they have been voted on. We won't need to go through each one of the motions following the actual voice vote.

NOMINATION OF HENRY E. HUDSON TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read the nomination of Henry E. Hudson, of Virginia, to be United States District Judge for the Eastern District of Virginia.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Henry E. Hudson, of Virginia, to be United States District Judge for the Eastern District of Virginia?

The nomination was agreed to.

NOMINATION OF TIMOTHY J. SAVAGE TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read the nomination of Timothy J. Savage, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Timothy J. Savage, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania?

The nomination was confirmed.

NOMINATION OF AMY J. ST. EVE TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read the nomination of Amy J. St. Eve, of Illinois, to be United States District Judge for the Northern District of Illinois.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Amy J. St. Eve, of Illinois, to be United States District Judge for the Northern District of Illinois?

The nomination was confirmed.

NOMINATION OF DAVID S. CERONE TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF PENNSYLVANIA

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read the nomination of David S. Cercone, of Pennsylvania, to be United States District Judge for the Western District of Pennsylvania.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of David S. Cercone, of Pennsylvania, to be United States District Judge for the Western District of Pennsylvania?

The nomination was confirmed.

NOMINATION OF MORRISON C. ENGLAND, JR., TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF CALIFORNIA

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read the nomination of Morrison C. England, Jr., of California, to be United States District Judge for the Eastern District of California.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Morrison C. England, Jr., of California, to be United States District Judge for the Eastern District of California?

The nomination was confirmed.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the motions to reconsider be laid upon the table; that the President be immediately notified of the Senate's action; and that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF RICHARD EVERETT DORR

Mr. HATCH. Mr. President, I rise in support of the nomination of Richard Everett Dorr to the U.S. District Court for the Western District of Missouri. He is a man who has dedicated large portions of his career to public service, one of the qualities I most admire in a nominee to the bench.

Mr. Dorr attended the University of Illinois at Champaign on a football scholarship. He graduated with a B.S. in Marketing in 1965. In 1968, he graduated with a J.D. from the University of Missouri at Columbia. During the next five years as a Judge Advocate, the nominee regularly appeared as either a prosecutor or defense counsel in criminal cases before Courts-Martial

and Administrative Boards. During this period, Mr. Dorr also served as a legal advisor to Administrative Boards and as a Military Judge. He was also appointed to the Human Relations Council, an Air Force program designed to educate service members on appropriate behavior regarding racial diversity.

Upon returning to private life, Mr. Dorr was an associate at the firm of Mann, Walter, Burkart, Weathers & Walter for 5 years. In this position he practiced general civil law, including real estate, business, domestic relations and general litigation cases. In 1978, he started his own firm, Harrison, Tucker and Dorr and continued his general civil practice. In 1996, Mr. Dorr became the Managing Partner of the Springfield office of Blackwell Sanders Peper Martin, a major law firm based out of Kansas City, Missouri. In this new position, he has concentrated on business and commercial litigation.

Mr. Dorr was very active in the establishment of the Southwest Missouri Legal Aid Corporation. He served on its first Board of Directors from 1976 to 1982 and was the Corporation's President from 1978 to 1982. This organization provides legal aid to the poor who normally could not afford for their cases to be heard in a court of law.

Unfortunately, this is Mr. Dorr's second nomination to the federal court. He was nominated by the first President Bush, but he did not receive a hearing.

Throughout his life Mr. Dorr has given back to his community, first in the Air Force, where he championed the cause of human rights, and then by forming an organization that helped those who could not afford access to the courts. Clearly, Mr. Dorr has the character and temperament to be a fair and balanced federal court judge. I urge my colleagues to confirm this most deserving attorney.

NOMINATION OF DAVID GODBEY

Mr. HATCH. Mr. President, I rise to support the nomination of David Godbey to be U.S. District Judge for the Northern District of Texas.

I have had the pleasure of reviewing Mr. Godbey's distinguished legal career, and I have concluded, as did President Bush, that he is a fine jurist who will add a great deal to the Federal bench in Texas.

Mr. Godbey has a terrific record as a civil litigator and as a highly effective state court judge.

Following graduation from Harvard Law School, where he graduated magna cum laude, Judge Godbey clerked for Judge Goldberg of the Fifth Circuit Court of Appeals for a year, then accepted a job with Hughes & Luce, a Dallas firm, in 1983.

For the next 11 years, he handled civil and commercial litigation in Federal trial and appellate courts in Texas and elsewhere. He accepted criminal appointments and represented clients in commercial arbitration cases. He specialized in technology litigation,

appeals, public-law litigation, and oil and gas matters.

In 1994 Mr. Godbey was elected to a judgeship on the 160th Judicial District Court in Texas. Judge Godbey has handled over 6,500 cases on the bench, including approximately 230 jury trials, and his reversal rate is well below 1 percent.

It is clear that Judge Godbey is well prepared for the Federal district court bench. I know he will make a great judge in the Northern District of Texas.

NOMINATION OF HENRY HUDSON

Mr. HATCH. Mr. President, I rise today in support of Henry E. Hudson's nomination to the U.S. District Court for the Eastern District of Virginia.

Judge Hudson's many accomplishments as a prosecutor, State court judge, and Federal law enforcement officer convince me that he will excel on the federal bench in Virginia.

Upon graduation from American University in 1974, Mr. Hudson worked as Assistant Commonwealth Attorney in Arlington, VA, prosecuting felony and misdemeanor cases. From 1978-1979 he served as an Assistant U.S. Attorney for the Eastern District of Virginia, where he handled federal criminal cases; and from 1980 to 1986 he served as Commonwealth's Attorney for Arlington County.

Mr. Hudson then served as U.S. Attorney for the Eastern District of Virginia, gaining substantial supervisory and prosecutorial experience. He headed an office of 70 Assistant U.S. Attorneys and 25 Special Assistants and prosecuted major civil and criminal cases, including "Operation Ill Wind," a federal investigation resulting in the conviction of 54 individuals and 10 corporations for illegally exchanging confidential defense contract bidding information.

Mr. Hudson served as Director of the U.S. Marshals Service from 1992 to 1993, and since 1998 Mr. Hudson has served as Circuit Court Judge for the Fairfax County Circuit Court.

Judge Hudson received an ABA rating of Substantial Majority Well Qualified and Minority Qualified. My support for Judge Hudson's nomination to the Federal bench is unqualified. He will make an excellent federal judge.

NOMINATION OF HENRY HUDSON

Mr. WARNER. Mr. President, I rise today in support of the nomination of Judge Henry Hudson, who has been nominated to serve as a judge on the U.S. District Court for the Eastern District of Virginia.

Senator ALLEN and I had the honor of recommending Judge Hudson to President Bush for this position, and we have worked closely with Chairman LEAHY, Senator HATCH, and with our leadership to get Judge Hudson's nomination to a confirmation vote.

It is important to note that the Virginia Bar Association "highly recommends" Judge Hudson for this Federal judgeship.

In addition, Judge Hudson's nomination enjoys bipartisan support in Virginia. Congressman JIM MORAN and State Senate Minority Leader Dick Saslaw, both Democrats, have penned letters of support for Judge Hudson.

Judge Hudson enjoys such widespread support based on his extensive experience with the law, and his reputation for having an appropriate judicial temperament. For these reasons, the Senate Judiciary Committee unanimously reported out his nomination.

Judge Hudson's legal career began with his service as a Deputy Sheriff in Arlington County, Virginia, in 1969 and 1970. He then went to law school, graduating from American University in 1974.

Subsequent to his graduation from law school, Mr. Hudson entered legal practice as a prosecutor. First, he served as an Assistant Commonwealth's attorney for 5 years and then as an Assistant U.S. Attorney in the Eastern District of Virginia.

In 1986, Mr. Hudson was confirmed by the Senate and began his service as the United States Attorney for the Eastern District of Virginia, where he served until 1991.

After leaving the U.S. Attorney's office, Judge Hudson once again received Senate confirmation and served as the Director of the United States Marshals Service from 1992 to 1993.

After completing his work at the Marshals Service, Mr. Hudson entered private practice until he was sworn in as a Judge on the Fairfax County, Virginia, Circuit Court. Judge Hudson has served as a Judge on this important court since 1998.

During his time on the Fairfax County Circuit Court bench, Judge Hudson has been known as a fair, objective judge who conducts proceedings with dignity and with the appropriate judicial temperament. I am confident that he will continue his service on the Eastern District of Virginia bench consistent with this reputation.

I urge my colleagues to support Judge Hudson's nomination.

Mr. THURMOND. Mr. President, today, the Senate confirmed Judge Henry Hudson to the United States District Court for the Eastern District of Virginia. I am very pleased to see this fine man take his place on the Federal bench, and I know that he will serve our Nation with distinction.

Judge Hudson is very deserving of this high honor, and I commend President Bush for nominating such a well-qualified and honorable man. Throughout Judge Hudson's distinguished career, he has held several positions of public trust, and he has always performed his duties with the utmost integrity. Judge Hudson has also demonstrated a profound respect for the rule of law, and he will no doubt be an asset to the Eastern District of Virginia.

Judge Hudson has an illustrious legal background. Upon graduation from the American University School of Law, he

worked as an Assistant Commonwealth Attorney in Arlington County, Virginia. There, he learned the basics of trial work, and after 5 years, he became an Assistant U.S. Attorney for the Eastern District of Virginia. As a Federal prosecutor, Judge Hudson handled many important and oftentimes complex criminal cases, including drug conspiracies, racketeering, and political corruption cases. After his service as an Assistant U.S. Attorney, Judge Hudson served as the Commonwealth Attorney in Arlington County, Virginia. As Commonwealth Attorney, he was responsible for prosecuting crimes such as homicides and violent sexual assaults.

Judge Hudson's vast knowledge of the law and his skills as a trial attorney did not go unnoticed. In 1986, he was nominated and confirmed as the U.S. Attorney for the Eastern District of Virginia. As the U.S. Attorney, Judge Hudson not only gained additional experience as a Federal prosecutor, but also demonstrated an ability to supervise others. He was responsible for an office staffed by 70 Assistant U.S. Attorneys and 25 Special Assistant U.S. Attorneys. During his tenure, he supervised "Operation Ill Wind," a Federal investigation of unlawful defense contract bidding that resulted in the conviction of 54 people.

Judge Hudson was again honored in 1992 when he was selected as Director of the U.S. Marshals Service, our Nation's oldest law enforcement organization. This appointment serves as a testament to the widespread admiration and respect enjoyed by Judge Hudson.

In 1998, Henry Hudson became Circuit Court Judge for the Fairfax County Circuit Court in the Commonwealth of Virginia. In this role, he has performed admirably, demonstrating an outstanding legal mind and a good judicial temperament. He has served the people of Fairfax County well and will no doubt serve the Eastern District of Virginia with equal competence and integrity.

Judge Henry Hudson will make an outstanding Federal judge. A substantial majority of the American Bar Association Standing Committee on the Federal Judiciary rated Judge Hudson as Well Qualified. Not only does he have considerable legal expertise, but he is a fine man. I am proud to see my friend, Henry Hudson, confirmed as a Federal District Court Judge.

NOMINATION OF TIMOTHY SAVAGE

Mr. HATCH. Mr. President, I rise today in support of the nomination of Timothy J. Savage to the U.S. District Court in the Eastern District of Pennsylvania.

My review of Mr. Savage's career as a litigator and public servant has convinced me that he will make a fine Federal judge.

Following graduation from Temple University School of Law, Mr. Savage joined the Philadelphia firm of MacCoy, Evans & Lewis as a civil litigator. In 1974 he and a partner started

the firm of Savage and Ciccone, where he turned to criminal defense work. Since 1976 Mr. Savage has worked as a sole practitioner in Philadelphia, moving in the last two decades to civil litigation and white collar crime specialties.

Mr. Savage knows his way around the Eastern District, serving as a mediator in the Eastern District of Pennsylvania and as judge pro tem in the Court of Commons Pleas in Philadelphia County.

Since 1977 he has served in a quasi-judicial role on the Pennsylvania Liquor Control Board, making evidentiary rulings, overseeing interrogation of witnesses, and authoring findings of fact and recommendations for Board decisions.

Outside his law practice, Mr. Savage has served as counsel for a local civil association and for the local Boys and Girls Clubs for the last 20 years. He has also provided pro bono services to community groups, his church, senior citizens and served on the Philadelphia Bar Association's Volunteers for Indigent Persons panel.

I am confident Mr. Savage will serve well on the Federal bench in the Eastern District of Pennsylvania.

NOMINATION OF AMY ST. EVE

Mr. HATCH. Mr. President, I rise in support of the confirmation of Amy J. St. Eve to the U.S. District Court for the Northern District of Illinois.

Ms. St. Eve's academic record is truly outstanding. She received her undergraduate degree in History, with Honors and Academic Distinction in All Subjects, from Cornell University.

She then graduated from Cornell's College of Law, where she was an Articles Editor on the Law Review, a member of the Order of the Coif, and recipient of numerous prizes for finishing her first and second years at the top of her class.

After graduation, she joined the law firm of Davis Polk & Wardwell. For four years, she worked as a litigator representing corporations in civil and criminal matters. In 1994, Ms. St. Eve joined the Office of the Independent Counsel, investigating the events surrounding the Whitewater Development Corporation. She drafted the indictment and second-chaired the trial that led to the conviction of Jim McDougal, Susan McDougal and then-Arkansas Governor Jim Guy Tucker.

In 1996, she joined the U.S. Attorney's Office of the Northern District of Illinois. In this position, her responsibilities included health care fraud, bank fraud, narcotics, trafficking, public corruption and gang violence cases. Additionally, she served as the Criminal Health Care Fraud Coordinator. For her work in this position, she twice received the Award for Integrity from the U.S. Health and Human Services Office of the Inspector General. She was also one of the senior prosecutors in "Operation Safe Road." This operation was charged with ridding the Melrose Park Illinois Secretary of State facility of corruption.

Currently, Ms. St. Eve is a Senior Counsel in the Litigation Department of Abbott Laboratories.

Ms. St. Eve is one of the best and brightest of her generation. Her and others like her are prime examples of a new generation of women who are becoming the top legal minds in the legal community. Her nomination is a fine example of the diverse judiciary that President Bush is creating. I urge all of my colleagues to vote for her confirmation.

NOMINATION OF DAVID CERONE

Mr. HATCH. Mr. President, I am pleased today to rise in support of David S. Cercone, who has been nominated to the U.S. District Court for the Western District of Pennsylvania.

Judge Cercone graduated from Duquesne University School of Law. Judge Cercone then clerked for Hon. Paul R. Zavarella on the Allegheny County Court of Common Pleas from 1978 to 1979. Judge Cercone has also been a sole legal practitioner in Pennsylvania. From 1979 to 1981, Judge Cercone served as the Assistant District Attorney for Allegheny County Court of Common Pleas and specialized in the prosecution of narcotics and violent crime cases.

From 1982 to 1985, Judge Cercone served as the Pennsylvania district justice magistrate. In 1986 to the present, Judge Cercone was the youngest person ever elected, at 32, to the Court of Common Pleas for Allegheny County Pennsylvania. In 1993, Judge Cercone was appointed administrative judge for the criminal division by the Supreme Court of Pennsylvania. Judge Cercone implemented an accelerated plea docket to prevent jail overcrowding and to reduce case backlogs. He also established the first "drug court" in western Pennsylvania for the rehabilitation of drug offenders.

In his capacity as Judge of the Court of Common Pleas for Allegheny County, Judge Cercone has ruled on many issues including medical malpractice, auto accidents, criminal homicide, murder, arson, insurance fraud, drugs, vehicular homicide, defamation, intoxication of minors and criminal conspiracy of an escape of six inmates from the Western State Correctional Institute. Judge Cercone has also prepared annual reports for the Allegheny County Court of Common Pleas, Criminal Division from 1994 to 1998.

Judge Cercone has been rated "unanimously qualified" by the American Bar Association. I am confident Judge Cercone will serve on the bench with integrity, intelligence, and fairness.

NOMINATION OF MORRISON ENGLAND

Mr. HATCH. Mr. President, I rise today to support the nomination of Morrison C. England to be U.S. District Judge for the Eastern District of California.

I have enjoyed reviewing Judge England's distinguished legal career, and I have concluded that he will make an excellent Federal judge in California.

Judge Morrison C. England is a native of St. Louis and a graduate of

McGeorge School of Law at the University of the Pacific. He has had more than a decade of private practice experience as a litigator and transactional attorney and has served for the past six years as a California state judge in Sacramento presiding over criminal and civil cases. In 1996 Governor Pete Wilson appointed him as Sacramento Municipal Court Judge and elevated him to Superior Court Judge on the Sacramento Superior Court a year later. He currently serves in a General Trial Court, presiding over both civil and criminal cases. Previous to his judicial service, Judge England acted as Referee and Judge Pro Tem in the Sacramento County Juvenile Court from 1991-96. Clearly he has the experience a Federal judge needs.

Judge England also serves this country as a member of the U.S. Army Reserve, JAG Corps, holding the rank of Major. Judge England's nomination has been praised by his colleagues and Sacramento attorneys alike. He has home state support and my support as well. He will make an excellent Federal judge in California.

Thank you, Mr. President. I yield the floor.

Mr. BOND. Mr. President, I have the distinct honor of being on the floor again to support the nomination of another fine candidate to the Federal bench in Missouri. The President has nominated Dick Dorr of Springfield, MO, to serve on the U.S. District Court for the Western District of Missouri. Mr. Dorr embodies well the principles laid out by the President for nominees to the Federal bench. Above all, Mr. Dorr respects the roll of a judge in our Federal system—to interpret the law. In addition, Mr. Dorr is a respected trial attorney who will bring years of experience in the court room to this position. He is an excellent candidate and I urge the Members of this body to give him your favorable consideration.

Mr. Dorr will bring to this position a reputation as an outstanding trial attorney with the respected Missouri law firm. His experience extends to both criminal and civil law. Attorneys in Springfield who worked with Mr. Dorr and who have litigated against him share my belief that he has the experience to preside over trials in a fair and efficient manner. Mr. Dorr has also served his country in the U.S. Air Force as a reservist and as a judge advocate general.

Mr. Dorr has given a tremendous amount of this time to ensure that the citizens of Springfield have legal representation available to them despite their financial means. He has worked for the Missouri Bar's Volunteer Lawyer Program. He was instrumental in starting the Legal Aid Society of Southwest Missouri and served on its board. He has received the Equal Access to Justice Award from the Springfield Bar for his work, and he was recognized for outstanding service to the community by the Greene County Community Justice Association.

I thank the chairman of the Judiciary Committee for scheduled a hearing for this nominee, and I thank the Members for the unanimous vote in support of this nominee.

I believe the Senate will find this candidate is well qualified for the position, possessing the experience, the intellect and the personal qualities necessary to preside over trials and rule in an informed and impartial manner. He will be a tremendous asset to the bench, and I urge the Members of the body to support the nomination.

Mr. ALLEN. Mr. President, I rise to express to my Senate colleagues my support for the confirmation of Henry E. Hudson to serve as a judge in the United States District Court for the Eastern District of Virginia. I have known Henry Hudson for about 20 years. He has had a long and distinguished career in public service, beginning as a firefighter and a deputy sheriff. He was elected in 1979 by the citizens of Arlington County, VA to serve as their Commonwealth's Attorney, and was reelected by a large margin four years later.

In 1986, President Reagan selected Henry Hudson to serve as the United States Attorney for the Eastern District of Virginia. He is credited with elevating the stature and visibility of that office with such prosecutions as Operation Illwind, which restored integrity to the field of defense procurement.

In 1992, Judge Hudson was appointed by President Bush to serve as Director of the United States Marshals Service. The Department of Justice recognized his exceptional leadership of that agency and awarded him the John Marshall Award for outstanding legal achievement.

During my term as Governor of Virginia, I appointed Henry Hudson to serve as Chairman of the Criminal Justice Services Board and a member of the Governor's Commission to Abolish Parole and Reform Sentencing. Later, I selected him to be a member of the Virginia Criminal Sentencing Commission. From his superb performance in all those roles, which helped us reduce crime in Virginia as well as better protect victims, I can personally attest to his calm, knowledgeable, and fair leadership as well as his dedication, work ethic and integrity.

Henry Hudson is currently serving as a Circuit Court Judge in Fairfax County, VA, where he has enjoyed a reputation for being a fair, but firm, jurist. His nomination to the Federal court is widely supported by both Democrats and Republicans, as well as bar associations and civic groups.

It is vital at this point in our Nation's history that we have the highest caliber men and women on the Federal bench.

Indeed, our Federal personnel are charged with the responsibility in these difficult times with enforcing our laws while still respecting civil liberties.

Perhaps in no district court is that more important than in the U.S. District Court for the Eastern District of Virginia.

The U.S. District Court for the Eastern District of Virginia, which has been short-handed for some time—handles some of the nation's most important and high-profile cases, including the John Walker Lyndh case and the Moussaoui trial.

I am very pleased that the United States Senate will today confirm Judge Henry Hudson for this very important judicial position. He possesses a strong legal acumen, the requisite judicial temperament, and proper judicial philosophy of interpreting the law and Constitution and not rewriting it from the bench. This will enable him to serve with distinction on the federal bench, and this is why the President wisely nominated him.

Thus, I respectfully urge my colleagues to vote for the Confirmation of Henry Hudson as judge for the U.S. District Court for the Eastern District of Virginia.

Mr. LEAHY. Mr. President, this week marks a little more than one year after the reorganization of the Senate Judiciary Committee following the change in majority last year. The Democratic-led Judiciary Committee has had an impressive year of fairly and promptly considering President Bush's nominees. In addition to the dozens of high-ranking Justice Department officials for whom we held hearings and our work in connection with almost 200 Executive Branch nominees the Committee reported, we have had a noteworthy record year with respect to judicial nominees.

With the lifting of a Republican hold on nominations we have been able to move forward this week to confirm 15 more judicial nominees—4 circuit court nominees and 11 district court nominees. The Democratic-led Senate has now confirmed 72 of President Bush's judicial nominees. This interim total of 72 judges far outdistances any Republican total for any of the preceding six years. Moreover, this is more judges than were confirmed under Republican control during all of 1999, 2000 and the first six months of 2001 combined. Thus, in less than 13 months we have done more than the Republicans did in 30 months! And we did so while reforming the process to ensure bipartisan cooperation and greater fairness.

The Senate has now confirmed 13 of President Bush's circuit court nominees—which is almost twice as the average during the prior six and one-half years of Republican control when they averaged seven circuit court confirmations per year. This is more circuit court nominees than were confirmed in two years combined, during all of 1996 and 1997, of the prior years of Republican control.

In this, our first year, we held 23 hearings for 84 of the President's nominees to the Federal Courts of Appeals and District Courts. That is more hear-

ings for more of this President's district and circuit court nominees than were ever held in any of the six and one-half years that preceded the change in majority last summer. It is more hearings for more circuit and district court nominees than in 20 of the last 22 years.

In particular, we held more hearings for more of President Bush's circuit court nominees, 18, than in any of the six and one-half years in which the Republicans controlled the Committee before the change in majority last summer. For that matter, we held twice as many hearings for courts of appeals nominees than were held in the first year of the Reagan Administration when the Senate was controlled by Republicans and five times more than in the first year of the Clinton Administration when the Senate was controlled by Democrats. That total of 18 hearings for circuit court nominees is also twice what the Republican majority averaged when it was in control of the process. Those are the facts.

Under Democratic leadership, the Judiciary Committee voted on more judicial nominees, 79, than in any of the six and one-half years of Republican control that preceded the change in majority. We voted on twice as many circuit court nominees, 15, than the Republican majority averaged in the years they were in control. In fact, this last year we voted on more nominees than were voted on in 1999 and 2000 combined and on more circuit court nominees than the Republicans allowed votes on during 1996 and 1997 combined.

We have achieved what we said we would by treating President Bush's nominees more fairly and more expeditiously than President Clinton's nominees had been treated. By many measures the Committee has achieved twice as much this last year as Republicans averaged during their years in control, and, by some measures, has done so in less than half the time.

I commend and thank the Majority Leader and Assistant Majority Leader for their patience and determination in achieving movement on judicial nominees on the Senate floor. The Administration's obstructionism stalled Senate floor actions on nominations for more than two months, while the Administration failed to fulfill its responsibility to work with the Senate in the naming of members of bipartisan boards and commissions. But just last Friday we resumed voting on judicial nominations and confirmed 15 judicial nominees in the last week once Senator McCain's hold was lifted.

Four of these nominees were confirmed to the Federal Courts of Appeals, including the first nominee to the Sixth Circuit in almost five years, the first nominee to the Ninth Circuit in two years, and the first nominee to the Third Circuit in almost two and a half years and the third nominee that we have confirmed to the Eighth Circuit.

With these confirmations, we have addressed long-standing vacancies on

circuit courts caused by Republican obstruction on President Clinton's nominees. We held the first hearing for a Fifth Circuit nominee in seven years, the first hearings for Sixth Circuit nominees in almost five years, the first hearing for a Tenth Circuit nominee in six years, and the first hearings for Fourth Circuit nominees in three years.

We have also now confirmed 59 of the President's district court nominees, twice as many as the Republican average for the past six and one-half years. Contrast the 59 Federal trial court judges confirmed by the Democratic Senate in just a little more than a year with the Republican average, during their past six and one-half years of control, of confirming only 31 Federal trial court judges a year. The Senate has confirmed more Federal trial court judges than were confirmed in 19 of the past 21 years and almost twice as many as the Republican average from their six and one-half years of control.

With this week's confirmations, the Democratic-led Senate has confirmed the 10th Federal judge for Pennsylvania. In addition, we confirmed our fifth judge to the District Courts in Texas, and our fifth judge to the Federal courts in the Eleventh Circuit. Our treatment of these nominees as well as a number of others, including the nominees confirmed today for the District Courts in Missouri, stands in sharp contrast to the treatment of nominees by the Republican majority.

We have reformed the process for considering judicial nominees. For example, we have ended the practice of anonymous holds that plagued the period of Republican control, when any Republican Senator could hold any nominee from his home state, his own circuit or any part of the country for any reason, or no reason, without any accountability. We have returned to the Democratic tradition of holding regular hearings, every few weeks, rather than going for period of as long as six months without a single hearing.

It would certainly have been easier and less work to retaliate for the unfair treatment of the last President's judicial nominees. We did not. We have been, and will continue to be, more fair than the Republican majority was to President Clinton's judicial nominees. More than 50 of Clinton's nominees never got a vote, many languished for months and years before their nominations were returned without a hearing or other action by the Senate. Others waited years—not just a year, but up to more than four years. Some never were accorded a hearing, some were finally confirmed after years of delay.

Those who now seek to pretend that the Democratic majority in the Senate caused a vacancy crisis in the Federal courts are ignoring the facts. Under Republicans, court vacancies rose from 63 in January 1995 to 110 in July 2001, when the Committee reorganized. During Republican control before the reorganization of the Committee, vacancies

on the Courts of Appeals more than doubled, increasing from 16 to 33. That is what we inherited. But in one year of Democratic control, and despite 45 additional vacancies caused largely by the retirements of many past Republican appointees, we have reduced the number of district and circuit court vacancies.

Vacancies continue to exist on the Court of Appeals, in particular, because a Republican Senate majority was not willing to hold hearings or vote on more than half—56 percent—of President Clinton's circuit nominees in 1999 and 2000, and was not willing to confirm a single circuit judge during the entire 1996 session. Republicans caused the circuit vacancy crisis, and it has taken a tremendous effort to evaluate and have hearings for 18 circuit court nominees in our first year.

In the meantime, Republicans have been unfairly critical that not every nominee has yet had a hearing or been confirmed. Rather than commend our efforts to do twice as much as they, their criticism is that we have yet to conclude consideration of everyone simultaneously. In less than 13 months we have already confirmed 13 of President Bush's nominees to the Courts of Appeals, and one more is awaiting a vote by the full Senate. They confirmed 46 circuit court nominees in 76 months. Without the benefit of presidential consultation of the Senate before nomination—as Republicans did in recent past years, without having had the luxury of taking two, three and sometimes four years before voting on a nominee, we have already achieved a confirmation rate of over 40 percent in our first year. With some cooperation in the fall from the Administration and from the Republican minority, we can improve on that confirmation rate before the end of the year. It already tops the Republican's record in 1997 and far exceeds the Republicans' record in 1999 when their own confirmation rate for circuit court nominees was 28 percent.

It constantly amazes me that our Republican critics run away from their record on judicial nominees, without admitting any error or wrongdoing or regrets of course, and seek to hold us to a much higher standard than they achieved. For example, they seek to compare what we have been able to do in less than 13 months with what other Congresses did over two years. They seek to make comparisons without recognizing that in the current situation we have a Republican President nominating an extreme group of nominees without consulting with Senators, as opposed to other situations in which Presidents and Senate majorities of the same party consulted and worked closely together.

A good example of this double standard is the Republican critics' use of "confirmation rates for Court of Appeals nominees." Remember that in 1996 the Republican majority's confirmation percentage for Court of Appeals nominees was zero—not a single

confirmation of a single Court of Appeals judge all year. In 1999, President Clinton sent the Senate 25 nominations to the Courts of Appeals. Of those six were renominations of people on whom the Senate had failed to take action dating back to 1996, 1997 and 1998. Of the 25 nominations to the Courts of Appeals by President Clinton, the Republican majority in the Senate would allow only seven to be confirmed by the end of the year, for a confirmation rate of 28 percent. We have already achieved a confirmation rate of 40 percent in our first year.

No judicial nominees should be rubber-stamped by the Senate, not even a President's first few choices. All nominees for these lifetime positions merit careful review by the Senate. When a President is using ideological criterion to select nominees, it is fair for the Senate to consider it, as well. Federalist Society credentials are not a substitute for fairness, moderation or judicial temperament. When a President is intent on packing the courts and stacking the deck on outcomes, consideration of balance and how ideological and activist nominees will affect a court are valid considerations.

What the President and his advisors acknowledge they are doing is nominating ideologically conservative judicial nominees to stack the 5th, 6th, and D.C. Circuits with judicial activists of their choice. I have tried to work with the White House on judicial nominations. I have gone out of my way to encourage them to work in a bipartisan way with the Senate, like past Presidents, but in all too many instances they have chosen to bypass bipartisanship. I have encouraged them to include the ABA in the process earlier, like past Presidents, but they have refused to do so even though their decision adds to the length of time nominations must be pending before the Senate before they can be considered.

This past January, I again called on the President to stop playing politics with judicial nominations and act in a bipartisan manner. In June, I sent a detailed letter to the President on these issues. My efforts to help the White House improve the judicial nominations process have been rejected. I would like to improve the process and speed up the filling of judicial vacancies with qualified, fair-minded judges.

Advice and consent does not mean giving the President *carte blanche* to pack the courts. The ingenious system of checks and balances in our Constitution does not give the power to make lifetime appointments to one person alone to remake the courts along narrow ideological lines, to pack the courts with judges whose views are outside of the mainstream, and whose decisions would further divide our nation.

We have worked hard to balance these competing concerns over the past year: how to address the vacancy crisis we inherited while also not being a rubberstamp and abdicating our re-

sponsibilities to provide a democratic check on the President's choices for lifetime appointment to the federal courts. These are the only lifetime appointments in our system of government, and they matter a great deal to our future.

We have moved quickly, but responsibly, to fill judicial vacancies with qualified nominees we hope will not be activists. In our first year we confirmed 72 judges and reported 79 judicial nominees. Partisans ignore these facts. The facts are that we are reporting President Bush's nominees at a faster pace than the nominees of prior presidents, including those who worked closely with a Senate majority of the same political party. We have accomplished all this during a period of tremendous tumult and crisis.

The Judiciary Committee noticed the first hearing on judicial nominations within 10 minutes of the reorganization of the Senate, and held that hearing on the day after the Committee was assigned new members. We held unprecedented hearings during the August recess last year and proceeded with a hearing two days after the 9-11 attacks and shortly after the anthrax attack. Today, we held our 23rd hearing for judicial nominees. We are doing our best to address the vacancy crisis we inherited.

The Democratic majority in the Senate has worked hard since the change in majority last summer. We have a record of achievement and of fairness to be proud of at the recess of this session. I thank the members who have worked cooperatively with me to make progress in so many areas over the last year.

LEGISLATIVE SESSION

The PRESIDING OFFICER (Mr. DAYTON). The Senate will return to legislative session.

TRADE ACT OF 2002—CONFERENCE REPORT—Continued

Mr. DASCHLE. Mr. President, I ask unanimous consent that all time on the trade promotion authority conference report be yielded back.

Mr. BYRD. Mr. President, reserving the right to object, will the majority leader repeat his request?

Mr. DASCHLE. I ask unanimous consent that all time for debate on the conference report for the trade promotion authority bill be yielded back.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. Parliamentary inquiry: When may Senators speak after the vote?

Mr. DASCHLE. Mr. President, I know a number of our colleagues have indicated an interest in speaking on the issue. We will reserve a block of time immediately following the vote on the trade promotion authority conference report for that purpose.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent that I be the first to be able to speak afterwards for a period not to exceed 10 minutes.

Mr. DASCHLE. I ask unanimous consent for that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the additional unanimous consent request?

Mr. BYRD. Requesting what?

The PRESIDING OFFICER. To yield back time on the debate on the conference report.

Mr. BYRD. Mr. President, I make a point of order.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, the Congressional Budget Office estimates that this legislation would increase the deficit by \$7,006,000,000 from fiscal year 2002–2007 and by \$12,302,000,000 from fiscal year 2002–2012. This deficit spending results from both increases in mandatory spending and reductions in revenues.

The additional mandatory spending and reductions in revenue contained in this Conference Report are not provided for under the budget resolution approved last year.

Therefore, Mr. President, I make a point of order that the pending conference report violates section 302(f) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I move to waive the budget point of order under the relevant provisions of the Budget Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) is necessarily absent.

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

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote “no”.

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

The yeas and nays resulted—yeas 67, nays 31, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—67

Allard	Ensign	Lugar
Allen	Enzi	McCain
Baucus	Feinstein	McConnell
Bayh	Fitzgerald	Miller
Bennett	Frist	Murkowski
Biden	Graham	Murray
Bingaman	Gramm	Nelson (FL)
Bond	Grassley	Nelson (NE)
Breaux	Gregg	Nickles
Brownback	Hagel	Roberts
Bunning	Harkin	Santorum
Campbell	Hatch	Smith (NH)
Cantwell	Hutchinson	Smith (OR)
Carper	Hutchison	Snowe
Chafee	Inhofe	Specter
Cleland	Jeffords	Stevens
Cochran	Kerry	Thomas
Collins	Kohl	Thompson
Craig	Kyl	Voinovich
Crapo	Landrieu	Warner
Daschle	Lieberman	Wyden
DeWine	Lincoln	
Domenici	Lott	

NAYS—31

Boxer	Edwards	Rockefeller
Burns	Feingold	Sarbanes
Byrd	Hollings	Schumer
Carnahan	Inouye	Sessions
Clinton	Johnson	Shelby
Conrad	Kennedy	Stabenow
Corzine	Leahy	Thurmond
Dayton	Levin	Torricelli
Dodd	Mikulski	Wellstone
Dorgan	Reed	
Durbin	Reid	

NOT VOTING—2

Akaka Helms

The PRESIDING OFFICER. On this vote, the yeas are 67, the nays are 31. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to, and the point of order falls.

All time is yielded back. The question is on agreeing to the conference report.

Mr. DORGAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the conference report. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), is necessarily absent.

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

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote “no”.

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

The result was announced—yeas 64, nays 34, as follows:

[Rollcall Vote No. 207 Leg.]

YEAS—64

Allard	Enzi	McCain
Allen	Feinstein	McConnell
Baucus	Fitzgerald	Miller
Bayh	Frist	Murkowski
Bennett	Graham	Murray
Bingaman	Gramm	Nelson (FL)
Bond	Grassley	Nelson (NE)
Breaux	Gregg	Nickles
Brownback	Hagel	Roberts
Bunning	Hatch	Santorum
Cantwell	Hutchinson	Smith (NH)
Carper	Hutchison	Smith (OR)
Chafee	Inhofe	Snowe
Cleland	Jeffords	Specter
Cochran	Kerry	Stevens
Collins	Kohl	Thomas
Craig	Kyl	Thompson
Crapo	Landrieu	Voinovich
Daschle	Lieberman	Warner
DeWine	Lincoln	Wyden
Domenici	Lott	
Ensign	Lugar	

NAYS—34

Biden	Durbin	Reid
Boxer	Edwards	Rockefeller
Burns	Feingold	Sarbanes
Byrd	Harkin	Schumer
Campbell	Hollings	Sessions
Carnahan	Inouye	Shelby
Clinton	Johnson	Stabenow
Conrad	Kennedy	Thurmond
Corzine	Leahy	Torricelli
Dayton	Levin	Wellstone
Dodd	Mikulski	
Dorgan	Reed	

NOT VOTING—2

Akaka Helms

The conference report was agreed to. Mr. REID. Mr. President, I move to reconsider the vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. It is my understanding Senator BAUCUS is recognized as in morning business.

The PRESIDING OFFICER. The Senator is correct. The Senator from Montana is recognized for a period of 10 minutes.

NOTICE

Incomplete record of Senate proceedings.

Today's Senate proceedings will be continued in the next issue of the Record.