HOUSE OF REPRESENTATIVES—*Wednesday, September 16, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, as we think on the glories of Your spiritual world, may we also see how those glories can be realized in our daily lives. We recognize, O God, that we so easily separate our spiritual gifts from our worldly tasks. Teach us to see how good deeds done for the needy, the hungry, the hostage and the forgotten can be our way of responding to the spiritual blessings You have provided to us. This we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

CALL OF THE HOUSE

The SPEAKER. Without objection, a call of the House is ordered.

There was no objection.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 317]

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Armey
Atkins
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Billey
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Montgomery
Moody
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

□ 1010

The SPEAKER. On this rollcall 399 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked to proceed for 1 minute for the purpose of inquiring of the distinguished majority leader the program for the balance of the week, and might I indicate to the distinguished majority leader that while we have a good rapport in discussing the schedule from time to time, I know the gentleman is always under pressure from various quarters, just as this gentleman is, and now we begin what will be a series of kind of unpredictable events into September and October and Thanksgiving and the Members are talking about how close to Christmas and really particularly for our west coast Members on transportation and all of the rest, we need as definitive a schedule as we can possibly give to these Members and if the gentleman would be so good as to respond to that particular inquiry, what are we going to do for the balance of the week and beyond?

□ 1025

Mr. FOLEY. Will the distinguished Republican leader yield?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, first to address the more specific schedule of this week and early next week, the House will be considering the textile legislation today, and tomorrow the House will meet to consider H.R. 442, the Civil Liberties Act, which deals with the Japanese relocation issue. The Japanese-American relocation issue has been scheduled for a period now of many months for September 17, and it is expected that this legislation will be concluded by 2 p.m. or close to 2 p.m. in the afternoon.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

So we have scheduled no other legislation tomorrow and Members can generally believe, I think, that they can have an early departure. There will be no other legislation scheduled for the week.

Next Monday, however, I repeat, next Monday, however, the House will be in session and we will be considering the Farm Credit Act. There will be votes. That is an important legislative proposal and a major agricultural proposal, the major agricultural proposal, for this year. The reason we are scheduling legislation Monday as well as Tuesday and Wednesday is that next week the House will adjourn on Wednesday for the Jewish holidays and there will be consequently only a 3-day work week next week. But it will be 3 days.

Once again, a full schedule on Monday with the farm credit bill and H.R. 442, the Civil Liberties Act on tomorrow.

As far as the rest of the schedule next week is concerned, that will be announced tomorrow. But there will be, as I say, legislation on Tuesday and Wednesday.

We hope there will be a fairly early departure time on Wednesday to accommodate Members who need to have an early departure and be home early.

Broadly speaking, we intend to keep the Members advised on the schedule as precisely as possible. But I think it is clear that the legislation which remains before us and in the other body require a session that will go into the middle or latter part of November. It would be unrealistic for Members to expect adjournment much prior to Thanksgiving.

The problem presented here is not so much the work of the House of Representatives, which frankly has been diligent and on time, but the problems have existed in the other body, and I will not elaborate on those. But we intend to keep pressing forward to complete the work of the House of Representatives so ably begun under the speakership of our distinguished Speaker. And we hope for the continued cooperation of our friends on the minority side.

Mr. MICHEL. Mr. Speaker, might I ask two specific questions.

Today, could the gentleman be a little bit more specific on how we take up that textile bill timeframewise because of the celebration on the west front?

Mr. FOLEY. The House gave approval last evening for the Speaker to declare a recess at approximately, I believe, 1:15 and resuming at 2:30. That will be for the purpose of Members attending the Constitution bicentennial observation on the west front. But we will resume at 2:30 and take up the textile bill until completion.

Mr. MICHEL. Would the gentleman suspect that would run late this evening?

Mr. FOLEY. I do not think so. I think probably 5 or 6 o'clock.

Mr. MICHEL. Finally, next week would those be late evenings?

Mr. FOLEY. The farm bill will be completed on Monday and Members would have to assume that Monday will be a full day. I would assume, we have about 5 hours on the farm bill, so going in at noon and accommodating the procedures of going in, I would think 6 or 7 o'clock would be what Members should assume for the farm bill on Monday.

Again, I think Wednesday we will make every effort to conclude legislation early because of the pending Jewish holiday.

Mr. MICHEL. I thank the distinguished majority leader.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Let the Chair announce that the Celebration of Citizenship which will be observed on the west front of the Capitol commencing at 1 o'clock will last for approximately 1 hour. The latter half of that time will be nationally televised.

This is an occurrence for the purpose of observing the 200th anniversary of the Constitution. Therefore, it will be the purpose of the Chair to declare a recess at approximately 12:45 in order that Members may take the seats reserved for Members of the Congress on the west front for this ceremony commemorating the 200th anniversary of our Constitution.

We would then expect to be back in session at approximately 2:15.

The Chair also would like to announce that at 10 a.m. next Tuesday morning an informal meeting will be held here on the House floor. The House Democratic Caucus, having invited the Republican conference and others who may wish to come will hear an address by the President of Costa Rica, the Honorable Oscar Arias.

RECESS

The SPEAKER. Pursuant to the provisions of House Resolution 255, the Chair announces that he has designated this time for the taking of the official photograph of the House in session.

Without objection, the House will stand in a brief recess while the Chamber is being prepared for the photograph. The House will be in order when the photographs are taken. Members will please face the cameras. There will be about 10 flashes of the strobe lights and the process will take about 10 minutes. About 5 minutes after that the House will proceed with the business of the House.

There was no objection.

The SPEAKER. The Chair declares a recess.

(Accordingly, at 10 o'clock and 34 minutes a.m., the House stood in recess subject to the call of the Chair.)

□ 1040

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 10 o'clock and 47 minutes a.m.

REMOVING AVIATION TRUST FUND FROM CONGRESSIONAL AND PRESIDENTIAL BUDGET

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, for the past months, as chair of the Aviation Subcommittee, I have heard time and time again from my distinguished colleagues about airline delays and aviation safety. My colleagues have spoken to me on behalf of their constituents and from their own experience.

I am here today to let this body know that the solutions to most of these problems are within reach. By spending the $5.6 billion surplus that now sits in the aviation trust fund and its future receipts, we can expand the Nation's airports and air traffic control system to handle growing passenger traffic.

We have the funds to replace FAA's vacuum tubes with state-of-the-art computers that will be able to keep air traffic moving. We have the money to ensure safe operation of the airways. We have the dollars to increase the efficiency of our airports and our air traffic control system.

Users of the aviation system have been contributing to the trust fund. Inexcusably, the Congress and the administration have not allowed the users' contributions to be spent.

Rather than fund the needed aviation improvements, the trust fund surplus continues to grow, balancing the overall budget deficit instead of financing projects to reduce air delays and increase aviation safety.

The obvious and final remedy we have been forced to advocate is to remove the aviation trust fund from the congressional and Presidential budget. The House as a whole deserves the chance to decide whether or not we will spend the funds we keep collecting to improve and develop the aviation system and to reduce delays.

I ask for your support in the Rules Committee and on the floor.

NATIONAL POW/MIA RECOGNITION DAY

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, the fate of the men still unaccounted for in Southeast Asia weighs heavily on the heart and minds of all Americans, and especially upon the families and friends of these brave heroes.

On Friday, September 18, Americans will pause to remember those 2,417 men—24 of them Nebraskans—on National POW/MIA Recognition Day.

During the August recess, I was privileged to attend the annual Nebraska Vietnam Veterans Reunion, where the families of the 24 Nebraska POW/MIA's were the guests of honor.

I told the families that although there are many, many foreign-policy issues on which the Congress—and the people of this Nation—are divided, this is one foreign-policy issue on which we are completely united.

All Americans, after all, share this common goal: freedom for any American who may still be held in Southeast Asia, and justice for all of the families who have worked so long to resolve the fate of our POW's and MIA's.

On National POW/MIA Recognition Day and on every other day in the year, the Congress must continue to do everything in its power to ensure that this remains an issue of the highest national priority and that it be quickly and completely resolved.

SUPPORT H.R. 1154, THE TEXTILE BILL

(Mr. RAY asked and was given permission to address the House and 1 minute and to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, today the House will begin to consider the textile bill, which if passed into law will provide relief for the textile industry.

I rise in strong support of this industry which is one of a few that is exemplifying the intestinal fortitude that is inherent in Americans when their very survival is threatened.

This bill is under attack by the so-called free traders who seem to be having problems recognizing the facts of life.

The administration wants trading policy left under their jurisdiction and control, however their dismal track record which has brought us to an annual trade imbalance of $165 billion including the worst last quarter in history, is not trustworthy.

I was astonished to learn just recently that the most-favored-nation status, negotiated during the reign of the Shah of Iran, continues during the Ayatollah Khomeini's reign.

It is unbelievable that a country which daily refers to America as the "great Satan" and one who engineered the bombing of the United States Embassy in Beirut, and one who engineered the suicide attack on our Marine barracks in Lebanon killing 242 marines, is able to dump 600,000 square yards of fabric on the American market in a favored nation status.

The Soviets also got in their licks in 1986 by dumping over 12 million square yards of fabric on American markets with only a 3-percent tariff and at a rate of 33 cents per yard, less than American prices.

My colleagues, the free traders cannot be trusted. Enough is enough. Therefore I urge support of H.R. 1154, the textile bill.

NATIONAL EDUCATION SAVINGS TRUST ACT

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, I have introduced the National Education Savings Trust Act, which establishes a national trust fund to assist families to save for their children's postsecondary education.

During the past 10 years while average college costs have increased 100 percent, Federal aid programs have actually declined in relative value. Families all across the Nation are concerned about the way to finance the education their childen must have to compete in tomorrow's increasingly complex work place.

This bill would allow parents to contribute up to $2,000 per child per year into a national education savings trust which would become available to cover the costs when a child is enrolled in a postsecondary institution. Contributions to this fund would have varying rates of deductibility based on a family's income level. If the funds are withdrawn for educational purposes, interest would be tax free.

Many States and postsecondary institutions have developed their own educational savings plans. However, only the Federal Government can offer a family the portability of a plan that applies to all postsecondary institutions and can guarantee equal tax treatment for all.

The National Education Savings Trust Act offers a practical way to meet the future costs of higher education. I urge all Members to give this plan serious consideration.

□ 1055

MEDICARE PREMIUM INCREASES

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONNELLY. Mr. Speaker, the Washington Post reported yesterday that the Medicare part B premium would increase by 38 percent next year. Medicare part B covers all nonhospital services, and many people are asking "why such a huge increase?"

The answer is simple: drastic increases in physician charges. Even though the inflation rate is only 4 percent, physician charges are increasing at nearly 10 times that level.

Mr. Speaker, these increases will only end when this Congress gets serious about reforming the physician payment system under Medicare and starts to clamp down on physician charges. What we need is a whole new payment system—possibly a set fee-for-service—coupled with a prohibition on the practice of "balance billing." With such a law, we would limit premium costs for beneficiaries and prohibit physicians from billing patients above the exceedingly generous Medicare level, that will be true protection for the elderly, and I will continue to advocate and work for such a system on the Ways and Means Committee.

SEPTEMBER 16, 1787—DELEGATES RECESS PENDING SIGNING OF THE U.S. CONSTITUTION

(Mr. GEKAS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, it is now September 16, 1787, and I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia. The delegates are all in their own lodgings at this hour preparing to go home, knowing that when they come back to the hall tomorrow after this short recess they will be signing the document now known as the Constitution of the United States, to complete the mandate of the Congress of the United States which had sent these delegates to Philadelphia for the express purpose of revising the Articles of Confederation, but who have devised the new wonderless document called the Constitution.

The only delegates who are scurrying around the hall today are those who have specific duties to accomplish concerning that final day which is scheduled for tomorrow. Among them is James Madison. I have interviewed him extensively, and I have just now asked him why he continues, as he has throughout every single day of this convention, to take notes and to revise those notes and to make memoranda concerning those notes. He has told me that he thinks 100 years from now or 200 years from now, in 1887 or 1987, Members of Congress and people who are history-minded and those who

want to celebrate a centennial for the Constitution of the United States will be referring back to his notes to determine what the delegates said, what they thought, what their course was, and what was the nature of the debate that went into the final compilation of the greatest document the world has ever seen, the Constitution of the United States.

PEACEFUL INTERVENTION IN HAITI

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, peaceful intervention in Haiti is desperately needed now. Following the leadership of our Government, the people of Haiti removed Francois Duvalier and proceeded step by step to prepare for the institution of a democracy. They confounded everyone and wrote a constitution, and the people came out and 90 percent of them voted for that constitution.

That constitution has a timetable for elections in it. However, military outlaws and armed terrorists are seeking to overthrow that process, to stop that process.

First, the military junta tried to take over the electoral process and the electoral commission that was set up to guide it. When the people rose up against that, they backed down. But they have instituted a policy of terrorism. The army, in concert with local terrorists, have actually hacked to death a candidate who was campaigning for the Presidency. In broad daylight, campaigning before a crowd of people, he was hacked to death, and nobody did anything about it.

Within this atmosphere, free elections cannot go forward. There is a desperate need, in order to have free elections in Haiti, for the United States Government and the Organization of American States to intervene on the side of the people. Peaceful intervention could guarantee a free election. We can guarantee that election, and we can keep to the timetable. If we keep to the timetable, by November 29 the Haitian people will have elected a President step by step. If we do not intervene, then the outlaws of the military and the terrorists will guarantee that there will not be a peaceful democracy established in Haiti.

Haiti is only 90 minutes away from the shores of our democracy. Haiti needs our help desperately. Haiti needs it now. I call upon the United States Government, the State Department, and the Organization of American States to take steps right now to intervene to guarantee a peaceful election in Haiti.

BELLS ACROSS AMERICA

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, tomorrow, September 17, the United States will observe the 200th anniversary of the signing of the U.S. Constitution. On that day, Mr. Madison and 38 other courageous men dared to put their names to a document that would revolutionize the science of government. It established the world's first government of the people, by the people, and for the people.

To commemorate this historic event, on behalf of the Commission on the Bicentennial of the U.S. Constitution, I urge my colleagues to invite every American and every institution, from religious and educational to social and professional, to sound bells, chimes, and carillons on this memorable day at 4 p.m. eastern daylight saving time. At the same time, organizations are encouraged to release red, white, and blue helium-filled balloons. An official bicentennial certificate will be given to participating groups. This will enable Americans to reflect on the blessings of liberty, the ideal of justice, and equal opportunity made possible by the Constitution.

The "Bells Across America" ringing will be led by retired Chief Justice Warren Burger at a special ceremony in Philadelphia as part of the Constitution Day activities to be held in that city at 4 p.m. eastern daylight saving time. Nine children representing all of America's children and the Nation's future leaders will join in ringing a replica of the Liberty Bell.

Mr. Speaker, I urge all the Members to participate and to have their constituents participate as well.

DISCLOSURES FOR HOME EQUITY LOANS

(Mr. PRICE of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, in the September 15 Federal Register, the Federal Reserve Board proposed a change to regulation Z—Truth in Lending—to implement changes required by the FSLIC recapitalization bill recently signed into law by President Reagan.

During discussion of the ruling, the Board noted that it is "currently studying the broader issue of whether the Truth in Lending disclosures for open-end equity plans should be revised to take account of the special characteristics of these programs, which differ in many ways from the more traditional open-end credit programs. The terms and conditions of these programs are generally more complex and the consequences for consumers greater if they fail to understand the program."

I commend the Federal Reserve's willingness to explore whether additional disclosures are needed for home equity credit lines. I have introduced H.R. 3011, the Home Equity Loan Consumer Protection Act of 1987, because I believe these open-end equity or home equity plans do require additional disclosures for consumers. My bill would bring these disclosures for home equity loans more in line with disclosures which will soon be required of every other loan secured by someone's home. I urge my colleagues to add their name to the 45 other House Members who have joined with me to make these disclosures required of all financial institutions.

U.S. TRADE DEFICIT WORSENS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute.)

Ms. KAPTUR. Mr. Speaker, last week another all-time record was announced for the trade deficit of this country with the rest of the world—a whopping 16.5 billion additional dollars, despite a 39-percent drop in the value of the U.S. dollar, which this administration said would solve all of our problems. This means more lost jobs in the United States and more lost profits for U.S.-owned companies.

The waiting game of this administration is simply intolerable. Reversing our country's trade deficit does not signal the closing of our doors to imports. Instead, we need to demand that other countries open their doors to us. No industry in any country has the right to shut out U.S. competition. We must have reciprocal access.

Our strong comprehensive trade bill is a good place to begin building on, but we also need an administration that will stand up for America, and we need a trade policy that will restore the United States as a key player in the international economic marketplace.

NASA VICTIMIZED BY COMPUTER CRIME

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute.)

Mr. NELSON of Florida. Mr. Speaker, the morning news chronicles that some computer hackers in West Germany over long-distance lines have broken into a NASA computer network that contains technical information from space shuttle flights and obtained the ability over a 4-month period to manipulate at will this data.

I do not need to share with the Members of the House of Representatives how dangerous this is in manipulating data in our computers that are

linked to information being received from the space shuttle. Besides the space program, I have an interest in this, in that I had the privilege of shepherding through the House the computer crime legislation, along with the gentleman from New Jersey [Mr. HUGHES], the chairman of the Crime Subcommittee.

Mr. Speaker, our prosecutors should prosecute these individuals with the full force of law, and where, because there might be foreign citizens involved that our law would not extend to, our State Department should enact and propose the appropriate treaties to see that these people are brought to justice.

SMALL COMMUNITIES TREATED UNFAIRLY BY FARMERS HOME ADMINISTRATION ACTION

(Mr. JONTZ asked and was given permission to address the House for 1 minute.)

Mr. JONTZ. Mr. Speaker, on previous occasions I have spoken on this floor to alert the Members to plans by the Farmers Home Administration to sell off community development loans in their portfolio at a discount to large financial institutions, while denying the right to the affected communities to purchase these loans themselves at a similar discount rate.

My fears became reality just a few days ago when the Department of Agriculture announced that an agreement had been reached to sell about $1.9 billion of loans to the investment community at the unbelievable price of 58 cents on the dollar—after having offered the communities the right to repurchase their loans at the much less favorable discount of 65 to 75 cents on the dollar.

Mr. Speaker, for whose benefit is the Farmers Home Administration being operated? In this case, certainly not that of our Nation's rural communities, who are being charged as much as 22 percent more to purchase these loans.

The conditions which the FmHA set on the sale of loans to our small cities and towns—the unfair discount rates, a requirement that communities purchase all of their loans if they purchase any, a prohibition against use of tax free financing for repurchase of loans—we are designed to prevent these communities from having a fair chance to benefit from the sales.

At a time when rural America faces many economic problems, and when a few thousand dollars saved can make a big difference to the town's or city's budget, our Government ought to be helping small communities, whenever possible. In the case of the recent loan sales by FmHA, that wasn't done. I hope that Congress can take steps to remedy the situation.

TRADE POLICY RESULTS IN EXPORT OF MORE JOBS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, General Electric Corp. has hired more than 35,000 people in Mexico and foreign countries in the last 20 years. The General Electric Corp. has terminated over 25,000 American workers in the last 20 years and moved substantial amounts of their operations overseas.

□ 1110

Let us face it today. Competitiveness in America comes to mean that if you want to be competitive, you fire Americans, and you move overseas.

That is the mentality that has taken hold in Washington; and believe me, with this mentality, we will be lucky to have a manufacturing job in America in the next 10 years.

Today we start the debate on the textile bill, and I wonder for what, because the ITC ruled in 1985 unanimously that foreign manipulations were ruining the footwear industry, and the President did absolutely nothing.

While he talks about the Orient Express, America does not even make footwear, so today is the litmus test in Congress. If you are going to change the Nation around and bring some of our jobs back, then take a look at the good old USA instead of a lot of this Harvard rhetoric that seems to be abounding around here.

EXTENDING STATE ELIGIBILITY REQUIREMENTS FOR CHILD ABUSE AND NEGLECT ASSISTANCE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1596) to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuse and neglect assistance, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from New York?

Mr. BARTLETT. Reserving the right to object, Mr. Speaker, I do not intend to object, and I will use this time to yield to the gentleman from New York [Mr. OWENS] to explain the gentleman's request.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, today I ask for unanimous consent for the passage of S. 1596. This bill provides for the continued funding under the Child Abuse Prevention and Treatment Act for two States that are presently out of compliance with one aspect of this legislation. S. 1596 would provide an additional 1 year waiver to two States that have yet to conform with the "guardian ad litem" provisions of the act, Arizona and Alaska.

Because these States continue to make good faith efforts to come into compliance with the relevant sections of the Child Abuse Prevention and Treatment Act—it is important that we retain flexibility in allowing vital programs under the aforegoing legislation to retain funding.

In passing S. 1596 we are acting with the full agreement of the administration and in the same bipartisan spirit that has characterized our dealings to date with the minority concerning the Child Abuse Prevention and Treatment Act.

Mr. BARTLETT. Mr. Speaker, further reserving the right to object, under my reservation, I do support the passage of S. 1596.

Mr. Speaker, this noncontroversial bill simply extends the current waiver authority in the Child Abuse Act. As a result the States of Arizona, Alaska, and Oregon, will receive their fiscal year 1987 funding allocations. These States have had unforeseen difficulty satisfying the guardian ad litem requirement contained in current law. The bill does not contain any new spending authority, and earlier this year the House passed a bill, H.R. 1900, reauthorizing the Child Abuse Program, that contained a similiar provision in recognition of the progress and difficulties experienced by these few States.

This bill is being considered today because the other body does not expect to pass its Child Abuse Act reauthorization in fiscal year 1987, thereby rendering inoperable the extension contained in H.R. 1900 for fiscal year 1987 funds. In the 1984 amendments, States were given extensions until the end of fiscal year 1986 to meet the requirements of the law, including the enactment of their guardian ad litem programs. A small number of States contacted the Committee on Education and Labor during our reauthorization of the Child Abuse Program to request that they be given more time to comply.

After examining evidence to indicate that these States were in fact facing unforeseen difficulties, and more importantly making progress toward enacting the requirement of the legislation, the House agreed in H.R. 1900 to provide limited extensions to these States.

The legislation we are presently considering will allow for an extension only for the purpose of receiving fiscal year 1987 funds. This limited extension will exert a reasonable amount of

pressure on the other body to complete its work on the authorization in a timely manner, and ensure that needy social service agencies in the States affected receive their fiscal year allocation.

Mr. Speaker, our ranking Republican member, the gentleman from Vermont, Mr. JEFFORDS, has indicated his support for the measure we are now considering. I would urge my colleagues on both sides of the aisle to vote for passage of S. 1596.

Further reserving the right to object, I yield to my good friend and colleague, the gentleman from Arizona [Mr. KOLBE], who was instrumental in bringing this matter to the attention of the committee.

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding to me.

I thank the gentleman from New York [Mr. OWENS] for his support of this bill, which is important to my State, along with the State of Alaska.

The House reauthorized the Child Abuse Prevention and Treatment Act (Public Law 94-247, as amended by Public Law 98-457). The act provides child abuse prevention funds to States which meet 11 delineated requirements. During the act's reauthorization in 1984, provisions were included for a 2-year waiver of the requirements. This waiver allowed States to receive funds in order to make a good-faith effort, with substantial progress during the second year, to comply with the act's mandates.

Arizona had not received grant funds prior to the waiver because the State did not meet the guardian ad litem requirement in section 4(2)(6) of the act. Grant funds received during the past 2 years have helped to establish a guardian ad litem program entitled CASA, court appointed special advocates. During this period of Federal funding, great strides have been taken to make the CASA volunteers available to abused and neglected children involved in dependency procedures in juvenile court. The 2-year period, however, had not been sufficient time to implement this program statewide.

An additional waiver provision will help assure that Arizona meets the act's requirements and secures these needed Federal funds for our child abuse treatment and prevention efforts. Alaska, another waiver State, is also in need of the extension. The absence of a waiver and the consequential defunding would be a severe destructive blow to the momentum States have gained toward accomplishing compliance.

Thus it is necessary for this legislation to be approved to ensure that the great gains that have already been accomplished can be continued without interruption. I urge my colleagues to support S. 1596.

Mr. BARTLETT. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Arizona [Mr. RHODES], who was also quite helpful in this process.

Mr. RHODES. Mr. Speaker, I thank the gentleman for yielding to me.

I too rise in support of S. 1596.

As the gentleman has pointed out, the difficulty we have run into in Arizona is that we have been slow in being able to acquire the necessary volunteers in rural counties. I am advised by the Arizona Department of Economic Security that they are making good progress; and with this extension, they will be able to complete the requirements under the act, and continue to be eligible for funding without a waiver.

For that reason, I urge support of S. 1596. The gentleman from Arizona [Mr. KYL], my colleague from the Fourth Congressional District, joins me and the gentleman from Arizona [Mr. KOLBE] in requesting the support of the Members from both sides of the aisle in favor of S. 1596.

Mr. KYL. Mr. Speaker, I rise in support of S. 1596 which will allow the States of Arizona and Alaska to continue to receive Federal funding from the Child Abuse Prevention and Treatment Act while working to comply with all of the act's mandates.

In 1984, the House reauthorized the Child Abuse and Prevention Act which provides Federal funding for child abuse prevention to States that meet 11 delineated requirements. Provisions were made in the reauthorization to allow States working in good faith and with substantial progress to continue to receive funding for 2 years while working to fulfill the 11 requirements.

This year the waiver expired and Arizona has not yet received its funding because it did not meet the Guardian ad litem requirement in section 4(2)(6) of the act. Grant funds received from the two previous years have been instrumental in establishing the highly successful, but not yet statewide CASA, [Court Appointed Special Advocates] Program. The State of Arizona has worked in good faith and with substantial progress, but the 2-year period has not been sufficient time to implement this program throughout the State.

The CASA Program has made great strides in providing support for abused and neglected children involved in dependency procedures in my State's juvenile courts. The additional waiver provided by S. 1596 will allow Arizona to receive its much-needed fiscal year 1987 funding, thus ensuring that progress will continue to be made, and that important ground will not be lost. I urge my colleagues to support S. 1596.

Mr. BARTLETT. Mr. Speaker, I would like to once again express my gratitude to the gentleman from New York [Mr. OWENS], the chairman of the subcommittee, for the gentleman's diligence in this matter; and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1596

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

QUALIFICATIONS FOR CHILD ABUSE AND NEGLECT ASSISTANCE

Clause (i) of section 4(b)(3)(A) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5103(b)(3)(A)(i)) is amended by inserting before "or" at the end thereof the following: "and for a third one-year period if the Secretary makes an additional finding that such State is making substantial progress to achieve such compliance,".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1596, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1154, TEXTILE AND APPAREL TRADE ACT OF 1987

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 256 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 256

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1154) to remedy injury to the United States textile and apparel industries caused by increased imports and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provisions of section 311(a) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order except the amendments recommended by the Commit-

tee on Ways and Means now printed in the bill and said amendments shall be considered as having been adopted in the House and in the Committee of the Whole. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, this resolution is a modified closed rule providing for the consideration of H.R. 1154, the Textile and Apparel Trade Act of 1987. The rule provides for 3 hours of general debate, with the time equally divided between the chairman and ranking minority member of the Committee on Ways and Means. The rule waives section 311(a) of the Budget Act against consideration of H.R. 1154. Section 311(a) prohibits consideration of legislation which would cause the ceiling on new budget authority or outlays set by the budget resolution to be exceeded or the revenue floor to be breached. Since this legislation would reduce the amount of imports brought into the United States it would slightly reduce revenues by decreasing the amount of import duties collected. Because secondary effects such as increased taxes resulting from more employment in the domestic textile and apparel industries are not counted in determining Budget Act points of order, a waiver of section 311(a) is necessary.

Mr. Speaker, the rule provides that no amendment is in order to H.R. 1154 except the Ways and Means Committee amendments now printed in the bill. The rule provides that, upon adoption of the rule, these amendments are considered as having been adopted in the House and in the Committee of the Whole, so that no separate vote on these amendments will occur. Finally, the rule provides for one motion to recommit.

Mr. Speaker, passage of this bill is critical to the existence of the textile, apparel, and footwear industries in the United States. For the past 6 years, these critical industries have endured the onslaught of a flood of cheaply produced imports. While growth in the domestic market has followed a steady and relatively stable course, growth in the percentage of foreign-produced goods that make up the market has skyrocketed. If this pattern is to continue, we face the further deterioration of our domestic capacity to produce textile, apparel, and footwear products necessary to clothe and equip our Armed Forces as well as civilians.

In light of this situation, I hope you will agree with me that it is imperative that we take immediate legislative action. The administrative fix that has been promised to us so many times simply has not come true. There is documented evidence that some of our trading partners exercise careless disregard for the administratively imposed quotas. I am sorry to say, our Commerce Department has not been especially eager to enfore their own mandates. This attitude, coupled with an insufficient number of Customs agents, has resulted in a textile trade policy which is an unworkable sham.

The trade deficit continues to soar to unprecedented heights, in large part due to the textile and apparel deficit. As long as foreign imports continue to take over our market, U.S. jobs and job opportunities become our exports.

This legislation that I and 247 of my colleagues have introduced will adequately stem the tide of imports with a minimum of disruption to the current market. We simply want to hold the growth in imported goods to a reasonable pattern that is fair to importers, manufacturers, our trading partners, textile workers, and consumers.

H.R. 1154 achieves this goal by limiting growth to 1 percent per year for each product. Footwear imports are frozen at the 1986 levels. H.R. 1154 does not prescribe discrimination against any individual country. Within the 1-percent cap, the administration is free to negotiate any bilateral or multilateral agreement on any product. Furthermore, if any country suffers injury, the bill provides for compensation to be negotiated in the form of a tariff reduction.

This proposal is the result of great compromose, and is desperately needed by the general economy as well as the industries directly involved. I urge you to vote yes on this rule and yes on final passage of H.R. 1154. Ultimately, I urge you to vote "yes" to override the inevitable Presidential veto later this year.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule sets up a straight "YES" OR "NO" vote on the textile and footwear bill and it should be adopted. So should the bill.

Since the rule provides for 3 hours of debate on the bill and since most Members are familiar with the bill's provisions, I will not describe it in detail. I do want to ask Members for their votes for the measure, and to tell the House the reasons why I am asking for a strong, bipartisan "YES" vote on final passage.

Those of us representing areas where textiles and apparel plants and shoe factories have been an important part of our local economies for generations know firsthand the devastation that imports have inflicted on these industries. In recent years we have seen textile plants and shoe factories shutdown and a great number of workers thrown out of work. We have tried over the last 7 years to enact a law that would allow these industries to survive. Up to now we have failed. Likewise, the industries are failing. We are here again to make our case and ask for help to save these two great American industries from collapse.

In the last 7 years, over 350,000 people have lost their jobs to foreign textile and apparel imports, which now control about 54 percent of the domestic market. Many more hundreds of thousands of people who used to work in industries which supply and service the textile and apparel industry have also been thrown out of work. The condition of the footwear industry is also desperate. In 1981, imported footwear took 51 percent of the domestic market. Today, they have 82 percent. Three hundred eight factories have closed since 1981. Seventy closed last year, and about 57,000 jobs have disappeared in the footwear industry alone. I could go on and cite grim fact after grim fact in this regard but the situation is bleak and getting worse—we all know this.

What I ask is this: Since we have a national trade policy which is causing the ruin and ultimate destruction of the textile and apparel industry, the footwear industry, and many, many other industries, and since this policy has produced the greatest trade deficits in our history, and since we are now the world's greatest debtor nation, then surely this policy must be producing magnificent results in other areas of our national effort to succeed and prosper.

Since any policy's value is measured by the results it produces, surely this trade policy must be producing terrific results in other areas that outweight the devastation and ruin so apparent to all. So, I ask: What are these magnificent and beneficial results, and where are they to be found?

Members will answer this question as they bring to bear their considered views and thoughts on the results our national trade policy has produced. I have asked myself this question, have given it serious thought, and have concluded that our trade policy is not producing good results and should therefore be changed substantially.

I am not an economist or an expert on international trade, but just a businessman who later entered public service. I claim no special expertise or wisdom in these matters. I do feel, however, that I can tell when policy decisions and actions are producing good resuslts and when they are not. In my view the evidence is in, things

are not going well, and it is time for a change.

This bill provides an opportunity to begin changing things today, here and now on the floor of the House. After all, the Congress is charged with the responsibility to regulate trade by the Constitution. Let us step forward confidently to accept this responsibility and enact the necessary changes in our trade policy while there is still time to save some of our basic industries from total destruction.

It is time to write a new chapter in the book of American trade policy, and the theme of this new policy must be realism and fairness with the interests of American industries and American workers first.

It has been a long time now since America emerged victorious from the Second World War with few international trade competitors standing out there to challenge us. Over the years we have opened our domestic markets and we have exerted every effort to assist the trading nations of the world, great and small, to recover economically and to expand their export markets. Our policy has achieved its purpose. It was a policy which produced good results operating under a particular set of conditions existing in the world during the post-World War II era.

That era is now history. It is time to fashion a new trade policy to fit our times. Change is constant. Everything moves on. All conditions are dynamic and in flux, not static. Those who cling to ideas which under prior conditions produced wholesome results, but which under present conditions produce unwholesome results, are heading for failure and defeat.

Let us face the truth. We have grown complacent and have allowed the old ideas of so-called free trade to continue to operate, even though as presently applied in the conditions of the world today, these old ideas are causing the industrial ruination of America. We have raised an economic theory to the status of a national theology and we have followed its doctrines as if they were divinely inspired. We have been following these doctrines wherever they have led us, even when this means marching over the cliff to our economic and industrial ruin.

The evidence is now clear to all who will look at it without prejudice. Our faithfulness to the doctrines of so-called free trade, while formerly they produced good results, now threatens our national standard of living and our economic future.

When we hand over our domestic markets to unfair import penetration, we are sentencing ourselves and our children to a bleak future of fewer competitive business enterprises, fewer good jobs, less economic opportunity, and a lower standard of living. As we are now practicing the theology of so-called free trade, we are producing profoundly destructive results for the country because this theory is not based on the actual conditions of today's world. This theory, as it is now operating, relates to an imaginary world in which all nations engage in totally unregulated and unsubsidized trade.

The rest of the world is not playing by our free trade rules. America has opened many of its markets to the world, while most of the world has imposed greater restrictions on imports from us. They are practicing unequal competition. So-called free trade has placed us in direct competition with low-wage nations, such as Thailand, for example, where children are paid 4 cents an hour in sweatshops. It should be clear by now that by allowing other nations to seize large parts of our domestic markets, we are encouraging the permanent interruption of the crucial relationship between supply and demand that has been the main engine of economic and industrial growth in American history. This is a ruinous policy which is producing a disaster for ourselves, and which will eventually produce a disaster for our trading partners.

At this time, a new trade policy is urgently required. Two kinds of policy action need to begin at once. First, we must hold the line, we must keep what we have. We must halt the erosion of the American economy. Textiles and apparel and footwear are a good place to start. Let's be realistic. Isn't 54 percent of the American textile and apparel market enough for our trading partners? Isn't 82 percent of our footwear market enough for them? Second, America must proceed diligently in the direction of fair and balanced trade based on the conditions of world trade as they really are.

A new and realistic trade policy in tune with the actual conditions of our times must bring to a halt the underselling of American industrial production by foreign producers. We must set reasonable and fair limits on the percentage of our domestic markets that can be taken by imports, and we must ensure for American industry a home market on which it can rely in order to rebuild and resume its advance.

Finally, while it is essential to place America first—for who else will if we do not—it is also necessary to declare to ourselves and to the world that we have been in error. In our incessant and tiresome preaching of this theology of so-called free trade, we have not only invited our own industrial and economic ruin, we have also misled other countries.

It is time to step forward and forthrightly admit our error. It is time to state that the idea that the rest of the world can achieve sustainable and ever-increasing economic growth through unbalanced export sales to the American markets is false.

We must put an end to the fantasy that the entire underdeveloped world can copy Japan and achieve economic progress through a parasitic relationship with the American markets.

Let us begin today here in the House of Representatives to make a new beginning. The American textile and apparel and footwear industries are a good place to start moving to a new, realistic trade policy. They employ over 2 million workers found in all 50 States. That is more workers than the steel and auto assembly industries combined. They need the help of their Congress. They have a right to expect it. Let us provide it.

Let us pass this bill today by a strong, bipartisan vote. Let us pass this bill to save our textile and appearel and our footwear industries. Much remains to be done. Let us begin to take up the task now. I ask for a "yes" vote on H.R. 1154.

□ 1125

Mr. DERRICK. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from South Carolina [Mr. SPRATT] for purposes of debate only.

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the rule and in support of the bill that it will permit us to consider, H.R. 1154, the Textile and Apparel Trade Act of 1987.

Passage of this bill is critical to saving our Nation's textile and apparel industry and it is critical to many of our constituencies, as evidenced by the fact that we have nearly 250 cosponsors on this bill.

Since this is the only bill that really is specific that we have considered in trade legislation this year, I think it is useful if I take just a minute to dwell on the fact of the reason we are addressing specifically the textile and apparel industry.

In 1980, just a short time ago and just before Mr. Reagan became President, the United States imported $9½ billion in textile and apparel goods, but we also had offsetting exports. In fact, in terms of basic textile products, we literally had a near balance in textile trade in that year, 1980.

I say that because it is hard to believe how much the situation has deteriorated in 6 short years. Last year, the textile and apparel trade deficit had skyrocketed to $21 billion. Textile and apparel imports had gone up to $24.7 billion. That is an overall increase of 250 percent over 6 years. It is a compounded annual increase of 20 percent. That is how bad the situation is and it shows no signs of slackening.

This year, imports are projected to reach $27.6 billion and that represents again an increase of 20 percent. Each

year we have had, since 1981, a record increase. We thought we had peaked out, we had topped out, only to find that the next year we had set a new record on the heels of the old record.

While imports have been increasing at a rate of 20 percent per year compounded annual rate, the domestic market has gone along at a snail's pace of 1 to 2 percent a year.

Now, since 1955-56 when we had our long-term cotton arrangement with the Japanese, every President, every government since President Eisenhower, through President Carter, has assured this industry something that we call today managed trade. You cannot say that the industry has been protected, because I think it is a joke to say that any industry suffering this kind of import competition and a deficit of $22 billion in trade is a protected industry. That is comical; but it has at least been promised managed trade and every President has assured the industry that they would have that kind of protection.

President Reagan himself specifically promised in writing that he during his administration would seek to relate the growth of imports to the growth of our domestic markets. Well, the proof of the pudding is there to be tasted. We have had increases every year of 20 percent compounded annually. We have had an increase in our domestic market of 1 percent. The growth rates simply have not been related.

The administration has at hand the tools necessary to deal with this problem. It has the legal authority to do just what this bill would do, that is, implement global quotas.

Now, I will be the first to admit that it would be better and far more efficient if the administration would just use its authority under domestic law and international law, use its authority and come to grips with this problem.

The administration has an example it can follow. Our European allies in 1981, the European common market, was suffering about the same trade deficit that we had in textile and apparel goods, $3 to $4 billion.

□ 1140

That is what our deficit was then. That is what their deficit was.

They cracked down, they determined that they were not going to allow their deficit to grow and, as a consequence, today the Europeans last year had a deficit last year of about $3 billion. They reduced their deficit in textile apparel trade by about 40 percent, whereas we last year had a deficit of $21 to $22 billion and ours had grown by 500 percent.

The Europeans do not have at their disposal any tools, any implements, any legal authority other than what we have. The only difference is they had the will to do something; our administration did not.

What we are simply supplying in this bill is the will to do something about a serious problem.

One other point. The European Economic Community, certain members of it, have been critical of this bill. But it ought to be remembered and recalled, and people who want to vote on this bill ought to know that we in this country buy three times more clothing and apparel products from Third World countries and lesser developed countries than do the Europeans. We buy five times more than the Japanese. If this is a slowdown in the rate of growth, we will still have far more liberal trade with those countries than will the Europeans and the Japanese who might be critics of this particular bill. We take up 50 percent of all the exports of lesser developed countries; the Europeans take up 20 percent.

Mr. Speaker, without our help, without the passage of this bill, the future of the domestic textile industry runs from bleak to bad. Since 1980, record import levels have contributed to the loss of 350,000 jobs in this country and 1,000 plants in the American textile industry have been shutdown.

My colleagues will be painted in the debate of this bill a picture of prosperity in the current industry. They will be told they are enjoying record profits. Their profits are up, utilization is up, but utilization is up because plant capacity has been cut back by a third. Jobs are up, the percentage of textile workers employed is greater simply because 350,000 textile jobs have been removed from that particular base.

This bill comes before us on a timely occasion. This past weekend we learned that our trade deficit is still running at a rate of $160 to $170 billion a year. We have been told be patient. Rectify the exchange rate of the dollar and that simple macroeconomic solution will take care of everything.

Now we are waking up to the fact that it will not happen, and if we are serious about doing something about our trade deficit, our overall balance of payments deficit, then we have to be serious by stopping the hemorrhage in textile apparels because that is the second largest component of it. The two objectives go hand in hand.

Let us pass this bill, and let us send a message both to the administration and to foreign governments that we are not going to stand by and let our single largest manufacturing industry, the largest employer of minorities and of women in this country, disappear.

I urge my colleagues to support the rule and to vote for H.R. 1154.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, sad as it may seem, I have not yet, as I stand here, determined how I am going to vote on this bill. I have always been wary of protectionist measures, and this is without question another protectionist measure.

What is wrong with a protectionist measure? What it does is it pits two sets of our fellow Americans against one another.

On the one hand, one set of our fellow Americans whose concerns are ours are those in the textile industry in this particular protectionist measure. On the other hand are sets of American citizens who would be hurt by the imposition of quotas and protectionist measures in textiles; namely, our farmers, our clerical workers and those who deal with exports and imports.

So who are we? Can we exert the wisdom of Solomon to determine which of these two sets of our fellow Americans we should choose in any debate on a protectionist measure? That is why we should for the most part allow these matters to be settled by free trade and by the marketplace.

However, I do have hesitations in this particular atmosphere in which we find this bill, and yet may vote for the bill because of two or three other reasons. One is that it is prospective in nature, unlike last year's bill, and it will only apply to numbers and figures and quotas yet to come, which is different from last time. The other reason is based on the fact that the shoe industry, which is a part of this, is separate and apart from the textile industry in so many ways, and the numbers are so horrible there that even I, a staunch free trader, have pause when it comes to the footwear industry.

But that debate is yet to come, and my final vote on the bill is of course yet to come as is that of my colleagues.

But there is no question about where I stand on the rule. We must defeat the rule so that we can try to separate the footwear from the textile industry. They are really apples and oranges in this bill, and we are doing a disservice to the Congress of the United States and a disservice to the people if we cannot have separate considerations of these two industries.

Mr. DERRICK. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT] for purposes of debate only.

Mr. TRAFICANT. Mr. Speaker, sometimes I listen to the speeches and I am not quite so sure how people are going to vote. When it is over, I assure my colleagues when I am done they will know how I am going to vote, and they will know why.

Mr. Speaker, my district lost 55,000 jobs in the steel industry since 1977. In

fact, we had 44,000 card-carrying, dues-paying steelworkers, and that is now down to 2,200.

During the great 1984 election campaign Mr. Reagan said do not worry, I will bring those steel mills back. He further said my policies will allow your children to continue to own a piece of the rock.

I say here today that I agree, the President's policy still allows our children in Youngstown, OH, an opportunity to get and own a piece of the rock. The only difference is our kids, to get it, have to import a boulder from Mount Fuji, and that is about what the policies have been.

In fact, the only thing the Reagan administration has given areas like mine has been rustproof paint. I firmly am convinced as I stand in the well of the House today that this President has not finished yet. He will not be satisfied until he has a full grown rice paddy on the east lawn of the White House.

Now let us get off this protectionist business. L.B.J. warned us. He said Congress, if we do not rebuild our factories and take care of our industries, America will be a paper tiger in international trade. Ladies and gentlemen, welcome to confettiville. This is the real Hallmark Hall of Fame Congress because we have done nothing while we let a President do worse. He has taken us the other way.

Let us talk about what the programs are. This administration started the Mequilladora process. Our Commerce Department sent out 12,000 letters to businessmen and corporations around America to teach them how to develop businesses offshore, in Mexico, for example.

My God, what happened to America where our Commerce Department would have seminars in their own land teaching our people how to make a profit in America?

I keep hearing it is good for America if we lose jobs. Pensions are lost, well, that is good for the country. Health benefits, life insurance benefits, for seniors are lost. That is good for the country. Our manufacturers are moving overseas. That is good for the country.

I say what is good for the country would be to send Mr. Reagan and the IRS to Japan. No. 1, that is where all of the jobs are, and that is where all of the money is. That is exactly the way people in my area feel.

Let me explain this to my colleagues. My area has gone from steel to basically autos. When the steel industry demise came about, Congress could see it. It was almost 30 percent import penetration. Now in the auto industry in October 1985 32 percent of every new car sold in America was made overseas. In November 1985 35 percent of every new car sold in America was made overseas. The Chevy Sprint and the Dodge Colts are stone cold imports, and we are talking about protectionism.

Korea will export 1 million cars to America this year and they have a 35-percent tariff against our cars. What is wrong with us down here?

In Iacocca's book, and I read it, there is a professor from Japan who says that he cannot figure out what is going on in America. We in Japan take care of our country first. Why does America not do that?

We take a look at the textile industry. God Almighty, if this is not the litmus test for Congress in future battles on trade, I do not know what is. But it takes me to a little man who was never even elected in India, and everybody may have seen the movie "A Man Named Gandhi" and under British rule all of the imported cloth was coming in and all of the Indians were not working, hunger and pain. This little man stood up and made a little speech, and maybe everybody in Congress should listen too. He said to all of the people in India burn all of that imported cloth from Manchester and Leeds, and if you have but only one piece of homespun, wear it with pride and dignity because there is no beauty in any cloth if it causes hunger and indignation.

Let us face it. The textile industry is getting wiped out, the footwear industry almost wiped out. I think it has come to the point now that Congress has to look at the real trade issues. There is no free trade out there and this administration is selling the farm piece by piece, and what they are not selling the foreign countries are taking it from us.

We do not have to worry about a missile. Khrushchev was exactly right. Let them go ahead and go forward with all of that high-powered sophisticated mentality and they will give the country away.

I say today vote for this rule, vote for this bill and send a signal to the administration that Congress is going to stand here and take them on.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, it has been known for some time that the House would be voting on the textile bill. Those of us who believe that it is bad for the United States believe so just as strongly as its passionate proponents believe that it is good, but we will make that case during the debate on the bill.

I for one have certainly not tried to hold up the bill. It has gotten very speedy treatment from our committee, both in subcommittee and in full committee. I am glad that it is on the floor for consideration.

There is one point about the rule that bothers me. I suppose that the problem is unavoidable. The rule waives the Budget Act. The House waives the Budget Act over and over, in nearly every piece of legislation that it takes up. That is unforgiveably.

This House has simply decided that the budget proces is an object of scorn and derision rather than a standard which we will follow.

In this particular case, the customs duty effect is to lose $5 billion of revenue over the next 5 years. The net revenue effect is to lose $3.2 billion. None of those losses are included in the congressional budget which this House adopted, and, nevertheless, I am sure that the rule is going to be accepted overwhelmingly.

I would just invite Members' attention to the fact that the vote on the rule is a fiscal vote. It is a $3.2 billion net vote, and it is a $5 billion gross vote. The right vote is "no."

Mr. QUILLEN. Mr. Speaker, I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 305, nays 111, not voting 18, as follows:

[Roll No. 318]

YEAS—305

Ackerman	Boxer	Dicks
Akaka	Brennan	Dingell
Alexander	Brooks	DioGuardi
Anderson	Brown (CA)	Dixon
Andrews	Bruce	Donnelly
Annunzio	Bryant	Dorgan (ND)
Anthony	Bustamante	Dowdy
Applegate	Byron	Downey
Aspin	Callahan	Duncan
Atkins	Campbell	Durbin
Baker	Cardin	Dwyer
Ballenger	Carr	Dyson
Barnard	Chapman	Early
Bateman	Chappell	Eckart
Bates	Clarke	Edwards (CA)
Beilenson	Clinger	Emerson
Bennett	Coble	English
Bentley	Coelho	Erdreich
Berman	Coleman (TX)	Espy
Bevill	Combest	Evans
Bilbray	Conte	Fascell
Bilirakis	Cooper	Fazio
Bliley	Coyne	Feighan
Boehlert	Daniel	Fish
Boggs	Darden	Flake
Boland	Davis (IL)	Flippo
Boner (TN)	Davis (MI)	Florio
Bonior (MI)	de la Garza	Foglietta
Bonker	DeFazio	Foley
Borski	Dellums	Ford (MI)
Bosco	Derrick	Ford (TN)
Boucher	Dickinson	Frank

Frost
Gaydos
Gejdenson
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lott
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schuette
Schulze
Schumer
Sharp
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Denny (OR)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—111

Archer
Armey
AuCoin
Badham
Bartlett
Barton
Bereuter
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Carper
Chandler
Cheney
Coats
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
DeLay
DeWine
Dornan (CA)
Dreier
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Goodling
Gradison
Grandy
Green
Gunderson
Hansen
Hastert
Hefley
Herger
Hiler
Hopkins
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kolbe
Kyl
LaFalce
Lagomarsino
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Lowry (WA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
Meyers
Michel
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Nielson
Oxley
Packard
Penny
Petri
Porter
Rhodes
Ridge
Roberts
Roth
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Sensenbrenner
Shaw
Shumway
Smith (NE)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stump
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Whittaker
Wolf
Wortley

NOT VOTING—18

Biaggi
Clay
Collins
Conyers
Crockett
Dymally
Edwards (OK)
Garcia
Gephardt
Gregg
Kemp
Latta
Leland
Lloyd
Pursell
Roemer
Spence
Tauzin

□ 1210

Mr. HALL of Texas changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 442, CIVIL LIBERTIES ACT

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 100-301) on the resolution (H. Res. 263) providing for the consideration of the bill (H.R. 442) to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, which was referred to the House Calendar and ordered to be printed.

VIEWS OF CONGRESSMAN BILL FRENZEL ON H.R. 1154, TEXTILE AND APPAREL TRADE ACT OF 1987

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the views of Congressman BILL FRENZEL on the bill, H.R. 1154, the Textile and Apparel Trade Act of 1987, which were inadvertently omitted from the committee report, be inserted at this point in the CONGRESSIONAL RECORD.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The text of the material referred to is as follows:

ADDITIONAL VIEWS BY CONGRESSMAN BILL FRENZEL, AUGUST 6, 1987

If you don't like competition, you will love this year's textile bill, H.R. 1154. It is different from last year's vetoed version, but it is just as harmful to the U.S.

The Trade Subcommittee reported the legislation and the full Ways and Means Committee reported it without recommendation, and without enthusiasm. It was an idea whose time has come and gone.

Textile legislation used to be a Holy War. Now it has become an annual ritual. Textiles already have the broadest protection of any U.S. industry. By any standard, textiles is a profitable, high employment industry. Despite its great success, the industry knows only one battle cry, "more."

During the 99th Congress, the industry came close to passing a bill that would have drastically cut back imports, even to many of the least developed countries which are very minor suppliers. When the Congress failed to override a Presidential veto, the industry came right back with a different version which added footwear restraints. Because the bill is different, not better, the industry and its apologists allege that it is GATT and MFA consistent.

The bill is being hyped as the great compromise of the year—the bottom line for the survival of the textile/apparel/footwear industry. Without it, its authors say, there will be no textile/apparel industry by the year 2000. The Institute for International Economics textile study by William R. Cline analyzes that even with the lower tariffs and the phase out of quotas it recommends, the annual rate of employment reduction would be 2% for textiles and 2.5% for apparel—about the same as the annual rate of retirement in the industry.

To look at the current state of the industry is to challenge the statements that the industry is on its last legs. Textiles is the healthiest dying industry in sight. Production has been increasing since the early 70's, up 10% in 1986 and 3% for apparel. Productivity growth, sales and profits are over that of manufacturing as a whole. Capacity utilization is up to 96% currently in textiles. Textiles is the envy of other industries.

Employment is up, 3.4% in textiles and .4% in apparel from May of 87 over 86. Industry employment rose by 25,800 jobs between the same time frame. Unemployment figures in the major textile states are below the national average. Unemployment in the textile industry fell to 5.6% in 1987 from 7.4% in 86. Overall unemployment rate is 6.7%. In the main textile states unemployment rates are 4.8% in North Carolina, 6.1% in South Carolina, and 5.6% in Georgia.

A Kurt Salmon Associates survey of 35 textile companies showed net income increasing by 83% in 1986 with sales increasing 16%. 1987 first quarter profits of 8 textile companies were up 110%. Total industry profits were up 67% in 1986. Every broker in town is touting textile stocks.

The OTA says that between 1975-85 productivity grew at 5.6% average rate per year—twice that for manufacturing as a whole. Apparel was at 2.7%—still above the overall rate. Exports have increased in 1986—13% for textiles, 22% for apparel, according to the USTR. New and expanding plants are being built, further creating job opportunities in the industry. Few industries are enjoying such prosperous times.

The footwear industry is adjusting on its own and stabilizing in areas where it can be competitive. Voluntary labor turnover in the footwear industry is over 30% per year, permitting an adjustment without forced layoffs. While imports are high, domestic producers still control a high percentage of the value of the footwear market. The U.S. footwear industry is dominated by profitable companies concentrating on high quality brands. Quotas would force the importation of higher quality footwear that would directly compete with that.

Import penetration in textiles is high, but not alarming. The Institute for Internation-

al Economics says that combined import penetration was 22% in 86 by value. Commerce shows a combined import share of 33%. ATMI shows much higher figures not accepted by DOC.

There has been a steady rise in imports, but no big surge, except in 1983-85 when the strength of the dollar injured many U.S. industries by encouraging imports. Slower consumption growth in the 70's and early 80's has also taken its toll on the industry. In the last year, imports have risen due to increased consumer demand and the inability of the U.S. industry to supply all of that demand.

Before we agree that the current level of import penetration is worthy of additional import restraints, we need another look at the industry. While it is true that the industry has made some productivity improvements, particularly in textiles, and has been far more effective lately at developing market niches, most of these improvements have occurred too late to recapture the share of U.S. consumption lost to imports.

A complacent textile industry suddenly had to face competition from abroad in the 1970's. Outmoded equipment had to be replaced, and an adjustment shock spread throughout the industry as factories either closed down, unable to raise the capital needed to adjust, or laid off workers no longer needed with new productivity improvements. The question is, are imports to blame, or did they provide a positive stimulus to an industry that badly needed revitalization? Throughout the continuing adjustment process, the industry has been protected as has no other in the U.S. Unsurprisingly, the industry and its employee groups found they loved the insulation from competition the 1,400 quotas had given them. So they have repeatedly asked for more.

When considering the need for more import restraints, we must also consider the impact on U.S. consumers. H.R. 1154 would have a disproportionate affect on lower-income consumers, both in textiles and footwear. The protection in place now, the 1,400 quotas, forces consumers to pay $20 billion annually to protect a prosperous industry and preserves 220,000 textile and apparel jobs. That is $82,000 per job saved in the apparel industry and $135,000 for each textile job saved.

Consumers for World Trade says that $27 billion is the current protection to the textile industry at the wholesale level, and $54 billion at retail level. That level of protection is unconscionable and unnecessary.

The CEA estimates that consumer cost of H.R. 1154 in textiles would be $25-37 billion over 5 years. It estimates a $52,000 cost per job saved in the footwear industry. ITC estimates $6.9 billion in consumer cost for footwear over the first 10 years of the bill.

The Institute for International Economics estimates an average $7.1 billion consumer cost for textiles in H.R. 1154 for each of the first 10 years of the bill. International Business and Economics Research Corporation estimates that H.R. 1154 would increase consumer cost by $10 billion annually and result in the loss of 52,000 retail jobs. It estimates that $223,000 consumer cost would be paid for each of 47,000 jobs protected, a net job loss of 5,000 jobs should the bill pass.

Those costs would be rated extreme by any rational judge. Even if those estimates are off by 100%, they are still too expensive to lay on to the backs of American consumers. Protection for a struggling industry is one thing; H.R. 1154 by this analysis, looks like an exercise in pure greed. We must also review the current protection of the industry. In 1961 the first textile agreement, the Short Term Arrangement, was negotiated as a temporary protection to the industry. 26 years later, the industry is still being protected under the successor agreement, the MFA.

The MFA has been extended three times, each time the rules tigthened, growth rates restricted and coverage broadened. Now, nearly all fibers are covered. We have bilateral agreements with 39 countries which have also become stricter and broader. Those for the major suppliers have an average growth rate of 1%. The Taiwan bilateral includes a 7% rollback. Textiles and apparel have the highest tariffs of any U.S. industry—tariffs averaging 18% versus 3% for all other U.S. industries.

Textile protectionism is not creeping; its galloping. The U.S. government has also automated its system of calls on particular non quotas categories in which market disruption is alleged. This has resulted in far more calls and new quotas than has been the case previously. There are over 1,500 quotas, 200 of which were made in 1986. Over 80% of all low-cost imports are under quotas. Customs enforcement of imports for possible circumvention has stepped up to the point where its efforts are sadly lacking in the general commercial area, and importers complain of lengthy delays and mistreatment of their merchandise. A special rule of origin for textiles and apparel has been devised, and country of origin labeling requirements have been strengthened. Textile exemptions have been granted to our CBI and GSP laws. The 807(A) program provides tariff relief to apparel sewn in 807 plants, if domestic fabric is used.

I would submit that the information submitted above does not justify further textile protection. Even as a so-called compromise measure, H.R. 1154 does not make any sense. The bill calls for quotas on imports from all countries, including Canada and the EC, which were never envisioned under the MFA. (The EC has increased its imports of U.S. textile and apparel by 45% in 1986). It unilaterally limits all quota growth to 1%, and zero growth for footwear. It provides for some compensation to injured countries in the form of tariff cuts, but not even a small percentage of what would be actually required. The bill would also continue the trend towards encouraging increased value imports which more directly compete with U.S. apparel and footwear and results in fewer lower cost imports for low-income consumers.

The bill, in the opinion of the Administration, violates both the MFA and the GATT. It violates the MFA by requiring global quotas, by determining quotas without the usual consultation and market disruption finding, and would violate all of our bilaterals. It would violate the GATT by determining injury for an entire industry, by assigning permanent not temporary quotas, and by not providing adequate compensation. The Europeans, and others of our trading partners, have stated that they will retaliate if this bill passes. The effect of retaliation against U.S. agriculture and high technology products could be devastating.

If the bill passes, we can expect the collapse of the MFA. Even more devastating, we could see the end of the Uruguay Round as well. The U.S. made a standstill commitment with our trading partners during the period of the negotiations. H.R. 1154 would violate that commitment.

If the Congress believes that the industry should receive further protection, it should continue on the same course and speed as we are on now rather than to provide the additional protection of H.R. 1154. We should allow the MFA and the new bilaterals to work, gradually covering more categories as they become disruptive. We should provide more Customs enforcement of possible violations by granting Customs the additional inspectors Congress has long sought to authorize. H.R. 3 also has several sections which deal with circumvention and stiffer penalties for violators, not at all of which I agree, but is a more positive way of getting at the problem than H.R. 1154. The dollar decline is also beginning to make imports more unattractive.

The industry itself must make further commitments to modernization and flexibility as well. There has been a lot of complaint that the industry is inflexible and often refuses to or cannot manufacture many items. Failure to meet production deadlines is another problem, all of which has forced many retailers and U.S. interests offshore.

With an improved macroeconomic picture in the U.S., with adequate enforcement of existing law, and a concentrated effort by the industry to become further competitive, there will be no need for a bill as disruptive as H.R. 1154.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Before proceeding with the textile bill, the Chair desires to announce that Members who wish to attend the ceremony on the west terrace of the Capitol in honor of the bicentennial of the Constitution can either meet at the center door to the Chamber at 12:45, where they will be escorted to the Member's designated area on the terrace; or, they may go directly to the west terrace from the second floor of the Capitol by walking through the rotunda, and down the stairs to the center west front door or from the first floor by walking through the crypt to the center west front door.

Members should be in their seats by 1 p.m.

TEXTILE AND APPAREL TRADE ACT OF 1987

The SPEAKER pro tempore. Pursuant to House Resolution 256 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the consideration of the bill, H.R. 1154.

□ 1218

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, with Ms. KAPTUR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 1 hour and 30 minutes and the gentleman from Tennessee [Mr. DUNCAN] will be recognized for 1 hour and 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Madam Chairman, I yield 45 minutes of my time to the gentleman from Georgia [Mr. JENKINS].

Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, H.R. 1154, the Textile and Apparel Trade Act of 1987, was reported by the Committee on Ways and Means without recommendation on August 6.

The bill would establish permanent global import quotas on more than 180 categories of textile products and 30 categories of footwear products. The quotas would apply to products from all countries, and would be effective retroactively to January 1 of this year.

For calendar year 1987, the various quotas on textile products would be set at 1 percent above actual levels of 1986 imports for each product category. After 1987 the textile quotas would increase by 1 percent each year.

The import quotas on nonrubber footwear would be frozen indefinitely at actual 1986 levels of imports in each category.

Other provisions of the bill include a grant of compensation authority to the President, a requirement for an annual report to Congress, and a review of the quota programs after 10 years by the Secretary of Commerce.

The one amendment adopted by the committee provides a limited exemption for certain products of U.S. insular possessions.

Madam Chairman, due to strong divisions of opinion within the Committee on Ways and Means on this bill, the committee chose to report the bill without any recommendation on whether it should pass.

I am, however, strongly opposed to this legislation, for reasons I will identify at the close of debate.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Madam Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Madam Chairman, I yield 45 minutes of my time to the gentleman from Illinois [Mr. CRANE].

Madam Chairman, I yield 6 minutes to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Madam Chairman, I thank the gentleman for yielding this time to me.

Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987.

As we all know, this legislation passed overwhelmingly in the last Congress but was vetoed by the President. Then as a result of those objections the measure was changed in order to meet those objections, and the present bill would establish quotas on a global basis. Thus no trading partner would be singled out for preferential treatment. The administration would be given complete flexibility to engage in bilateral agreements to enhance the status of any trading partner when it is deemed in the national interest to do so.

In addition, H.R. 1154 provides for no rollbacks of trade. Finally, the measure is consistent with GATT since it includes a congressional finding of injury to the domestic industry, global import quotas, and authorization to negotiate a reduction of tariffs as compensation for affected countries.

Madam Chairman, we have heard a great deal about textiles these past few years. Supporters say that H.R. 1154 is eminently fair, GATT-legal, sets global limitations, provides jobs, reduces Federal expenditures, and generally accelerates our country's economic growth. Opponents claim it will cost consumers billions, that the industry is too protected already, that it will invite retaliation, and that it will cost tens of thousands of dollars for each textile job saved. The information is available out there to support any of these claims. By now, most Members have decided for themselves which arguments have merit.

Today let me offer another point that should be considered—the critical role textiles play in our national defense. Our current Secretary of Labor, Bill Brock, when he served as U.S. Trade Representative, summed up the tremendous importance of textiles. Secretary Brock stated that "Every U.S. industry insists it is essential for national security. Textiles is the only one we accept, and that goes back 20 years."

Secretary Brock is not alone. Dr. Steven Kennedy of the U.S. Army's Natick Laboratories agreed of the importance, saying "it is doubtful if what is left of the woolen and worsted industry can continue for the indefinite future even at its present limited capacity, or be able to supply even peacetime requirements of uniform fabrics for the Armed Forces in the face of price competition from low-wage countries." That, Madam Chairman, is a compelling indictment of our inaction.

The Federal Government spends about $1.5 billion each year on clothing and textiles. The Pentagon admits there are more than 300 different "combat essential" items provided by the textile and apparel industries—things such as chemical-protective suits and gas masks as well as traditioanl textile products like pants and shirts.

But we cannot forget the many nontraditional uses of textile products, and the critical role they play. Grenade decelerators. Bomb decelerators. Fuel cells for helicopters and airplanes. Parachutes. Truck tire components. Helicopter blades and fuselages. Submarine launch tubes. Airplane brakes. Tiles for the "belly" of the space shuttles. Processed materials for the Stealth bomber and fighter, the F-15, F-16, the B-1, the Apache helicopter, and many other military aircraft. In every branch of our Armed Forces, textiles are vital.

While the footwear industry is less pervasive, it is equally important. In World War II, Gen. Omar Bradley noted that 45,000 soldiers were evacuated with trenchfoot. None could return for combat, and some were incapacitated for life. In the sixties and seventies Vietnam was a harsh reminder that sophisticated weaponry has not supplanted the need for basic preparedness in jungle combat.

In the 1980's, one of our greatest allies shared the same problems. At the end of the Falklands war, one-half of all British troops were suffering from trenchfoot due to poorly designed footwear. A recent Army report gave us the sad conclusion. It said, "The lessons learned in pervious wars about the seriousness of trenchfoot * * * never seem to get passed on to the next generation. They have to be relearned in each war by amputations, deaths, loss of battles, and low morale." The report also noted that U.S. trade policy was destroying domestic sources of procurement. That was in 1984, when our domestic footwear market share was 29 percent. Today, it's 17½ percent, the lowest in American history.

And let's not fool ourselves into believing we can replenish our supplies with current stockpiles. Right now, less than one-third of our mobilization requirements can be met with existing reserves. That, Madam Chairman, is a military tragedy.

We are all concerned about national defense. And we all want a strong economy. Well, we can take a huge step toward both of these goals with the passage of the bill before us today. H.R. 1154 is a reasonable, responsive bill that addresses the needs of our domestic textile industry while ensuring minimum disruption in the global economy.

Bill Brock says the textile industry is the only industry we accept as being vital to national security. The Department of Defense now ranks textiles second only to steel. There are simply no acceptable substitutes for textile

products. Not a truck could roll, not a plane could fly, not a soldier could march without U.S. textile, apparel, and footwear producers. Ensuring America's troops are properly equipped is not a special interest issue, Madam Chairman, it is a national obligation.

□ 1225

Mr. JENKINS. Madam Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. Madam Chairman, I thank the gentleman for yielding me this time.

Let me explain basically what this textile and apparel bill does and the changes from the last time, and there have been substantial changes since the last time.

The last bill had a rollback to 1983 levels. Most, or a large part of the increase in imports into this country has taken place since 1983, so last session's bill would have meant a substantial immediate cutback in textile imports into this country.

Also, the last bill was only applicable to the Asian-rim countries, and there were those that felt it was unfair because of that. These two major things were dealt with in the new bill and in the new bill it has global applications.

The administration has the authority to designate and make that application on a global basis. Further, we do not have a rollback. We go back to the last available figures, and that would be 1986 figures.

After that, textile imports are held to an overall figure of about 1 percent, which is about the growth that the domestic market has shown over the last few years.

Back in the 1980 election, both then-President Carter and candidate Reagan signed letters to the textile people indicating if they were elected or reelected, as the case may be, that they would keep textile imports down to about 1 percent, which would be comparable to what the domestic market was doing.

President Reagan and the administration have simply not done that. We have seen 20, 25 percent increases in textile imports into this country. I think we have a right—yes, this legislation is protective, but the GATT signators and other nations around the world decided textiles needed protecting back years ago, and entered into the Multifiber Agreements because of that.

Our problem is that our part of the agreements are not being enforced, whereas Taiwan, Japan, the European Common Market, and others are enforcing their part of the agreement.

It leaves our American market open to all the Third World nations because of the relatively low capital investment and high labor intensity of apparels which have flooded our markets and taken away jobs in this country.

It is a very legitimate concern of ours, and we cannot affort to let a basic industry slide as we have in other instances, and steel comes to mind.

That is basically what the bill does, and I ask for the Members' close consideration to the debate.

I yield back the balance of my time.

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Madam Chairman, I thank the gentleman for yielding me this time.

I represent a district in North Carolina that has 60,000 textile workers. Ten years ago we had 80,000 in that district. One thousand plants have closed.

People say, "Why is business good in the textile industry?"

You close a thousand plants and see how the ones that are left will do.

I have often thought of comparing it to lawyers. This body is full of lawyers; and if we could cut half the lawyers out, think how much better the business would be for the other half.

It is really not fair, because our Government is presently equipped to do something about this problem, and I would agree with the Democrats that they have not done it.

The multifiber agreement that everybody says is such a great thing, leave it alone, we will regulate it that way, that agreement would have allowed textiles to grow in the period I am speaking of by 26 percent. In reality, it has grown by 100 percent.

I do not know whether you know it or not, but Korea has an allotment of polyester cloth they are allocated to ship into this country. The allotment is 95 million yards a year; and yet by going around through Japan, who probably does not produce their proper amount, they are shipping another 80 million yards of polyester cloth into this country.

We need this bill. We are allowing every country in the world to ship into our area now. The textile market, half of it, belongs to the people overseas. That is enough.

Let us vote for H.R. 1154.

Mr. GIBBONS. Madam Chairman, will the gentleman yield?

Mr. BALLENGER. I yield to the gentleman from Florida.

Mr. GIBBONS. Madam Chairman, I thank the gentleman for yielding.

I really challenge the gentleman's figures. The official figures compiled by the administration come nowhere near the figures that the gentleman has quoted.

Mr. BALLENGER. Which figures?

Mr. GIBBONS. All of the gentleman's figures, the import-penetration figures, the share of the market.

They do not come anywhere near that, and I do not challenge the gentleman's veracity; but whoever gave the gentleman those figures did not tell the gentleman the truth.

Mr. BALLENGER. I am sorry that the gentleman disagrees with me, but I am quite sure that the people that gave me the statistics believe them very seriously.

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. PEASE], a member of the Subcommittee on Trade and a member of the Committee on Ways and Means.

Mr. PEASE. Madam Chairman, I thank the gentleman for yielding me this time.

When I spoke against the veto override vote last year, I made three points:

First, the United States has a textile and apparel import problem with enormous human dimensions;

Second, this problem was caused by the Reagan administration's maladministration of trade policy earlier in the decade; and

Third, in the absence of legislation, we have no assurance that the mistakes made by this administration will not be repeated in the future.

I voted to sustain the President's veto because enactment of last year's legislation would have broken our international obligations many time over. It would have jeopardized jobs in manufacturing and agriculture by giving our our trading partners justification under international law to retaliate.

In my view, the textile and apparel industry and—and still has—a problem deserving a legislation response. Unfortunately, H.R. 1562 was the wrong response.

I commend those who crafted this year's legislation for their efforts to improve the bill. However, H.R. 1154 is still too flawed to receive my support. Regrettably, a number of serious problems remain.

The revised bill would still force the United States to violate trade agreements, potentially trading jobs in export industries for those in the textile, apparel, and shoe industries. I remain reluctant to support a zero sum game trade policy.

In addition, this vote comes at an inopportune time. Enactment of the bill would have serious consequences for the new GATT round. Moreover, the House-Senate conference on the omnibus trade bill is just getting underway.

For more than 2 years, I and, I suspect, other Members of Congress have been forced to choose between doing nothing and going overboard. I have found this to be a frustrating predicament. Imagine how frustrated workers in these industries must feel.

In my view, an appropriate and successful strategy would consist of the following:

First, tightened administration of textile and apparel import policy to ensure that import surges beyond MFA guidelines ar quickly identified and analyzed to determine whether they are disrupting markets and warrant calls;

Second, accelerated negotiations to eliminate barriers to U.S. textile exports in countries that enjoy access to U.S. textile and apparel markets; and

Third, enhanced adjustment assistance to workers and communities affected by the great shakeout in the industry during the past several years.

Madam Chairman, my vote against H.R. 1154 is not a vote in favor of doing nothing. Rather, I vote against a cure that I fear would be worse than the disease.

□ 1235

Mr. CRANE. Madam Chairman, I yield myself 5 minutes.

Madam Chairman, there are many who would persuade you this morning that we must build an Iron Curtain around our textile, apparel, and footwear industries. Those possessing siege mentality see an army of imports surging on the horizon with battering rams and fear too many are overrunning our already excessive protective barriers. Problems are seen as unresolveable without further protection. They see plants closing, people out of work, and barrages of imports wounding those remaining domestic producers frantically bobbing and weaving to stay alive. They refuse to recognize newly created employment, profitability and high capacity utilization. They appeal to all of us to support H.R. 1154 as the only solution to save the United States from losing its domestic textile industry entirely, with dire national security and economic consequences if we do not.

But before you harken to the drumbeat of the H.R. 1154 brigade, let me urge you to consider that this is not a losing battle with a bleeding industry on its deathbed. Instead, this industry is alive, well and the most protected in U.S. history. Rather than helping the economy, the restrictive quotas in H.R. 1154 will cause mayhem—more jobs will be lost than gained and lower- and middle-income consumers hardest hit.

Since 1948, industry spokesmen have demanded ever inceasing layers of protection, claiming, as today, that catastrophe is imminent unless immediate government intervention occurs. In response to these pleas we now have nearly 1,400 quotas regulating more than 80 percent of all textile and apparel imports. And only last year, the multifiber arrangement [MFA] was expanded to cover silk blends, ramie, jute, linen, and other fibers. Yet this overanxious industry still howls for more protection.

Examine this so-called weakling before you agree to buy it another suit of armor. According to the Federal Reserve and industry analysts the industry had a banner year in 1986 and looks to be racking up another one in 1987.

From the first quarter of 1985 to the first quarter of 1987, textile production increased 20 percent; and capacity utilization increased steadily from 78 percent in 1985 to 92 percent in 1987. Apparel production is up 8 percent over the last 6 years and capacity utilization climbed to 90 percent.

Now it is certainly true plants may be closing, but more so to move production to more up to date, modern, automated facilities than for lack of business. In fact, with such capacity utilization, manufacturers and retailers have had to turn to imports when our domestic industry was oversubscribed with too many orders to supply their needs.

Employment in the industries continues to rise, with 24,000 more employed in August 1987 than in 1986, and unemployment rates in the leading textile States below the national average of 6.6 percent. North Carolina's rate in the first quarter of 1987 was 4.7 percent, South Carolina's was 5.5 percent and Georgia's 5.1 percent. Further, the textile industry also enjoys greater profitability than manufacturing as a whole, with a 12-percent return on equity in the first quarter of 1987 versus manufacturing's 10.8 percent. And this follows 1986's 24.6 percent return on equity in textiles versus manufacturing's 14.9 percent.

So profits are up, plants are booming at capacity, employment is increasing, yet we are asked to pass emergency legislation for a desperate industry. Nothing will suffice but restrictive quotas limiting growth to 1 percent annually in textiles and apparel, and permanently freezing footwear imports at 1986 levels. This added protection carries a hefty price tag. Consumer costs will rise an estimated 20 percent in escalating prices, or at a consumer cost of $33,000 per job saved. And given higher consumer prices, 52,000 retail jobs will probably be lost. U.S. exports may suffer $6 billion in retaliatory measures. And there will be shortfall of 90 million athletic shoes per year prohibited from entering the U.S. market—and this footwear is not even manufactured domestically.

Finally, if lost jobs and higher prices are not enough, this bill is a blatant violation of international agreements given the unilateral findings and actions required. Its passage will surely result in retaliation, with other industries, especially agriculture, asked to pay the price so textiles and apparel can bask in further benefits.

Lastly, I remind you that the United States launched the Uruguay round of the General Agreement on Trade and Tariffs [GATT]. We are attempting to strengthen our global competitive and economic position through a stronger GATT organization, with all participants opening markets and taking down trade barriers. The supporters of H.R. 1154 would throw this away, showing the world we will not uphold our agreements and that we're out to protect ourselves alone. The result will be a hamstrung GATT round, and disorder in the world marketplace as everyone seeks to follow our shabby example and fend for themselves.

Another wall of protection is not what the U.S. economy requires. If we are to grow, we do not restrict the very supply chain our manufacturers require to meet demand and profit. Our factories are hungry for fibers to produce finished goods and 80 percent of fibers are domestically produced. If we limit imports under this bill, what will occur when manufacturers cannot acquire the remaining 20 percent of fibers they require, especially with U.S. mills already at 92 percent capacity and oversubscribed with orders? Do we shoot ourselves in the foot restricting imports and by consequence doom more manufacturers to shut plants and layoff workers when they cannot get raw materials? Consumption is up 29 percent in the first quarter of 1987, and this bill would restrict annual growth to 1 percent. Clearly that is to move in the wrong direction.

Raising ever higher walls around the United States will cost dearly in lost jobs, more expensive goods, a weakened U.S. economy and a damaged global trading system, all of which will further fuel the spiraling U.S. trade deficit. The root cause of our trade difficulties is not addressed here, no more than in our mammoth trade reform bill to be considered soon in conference. These bills are not the answer to our record trade deficits. They will merely mask it, restructure it, or quite possibly make it worse. We must muster the political will to cut our top heavy budget deficit and reform our tax structure if we expect to restore confidence in our economy, stabilize the dollar, negotiate from strength and cure our trade ills.

I urge my colleagues to vote "no" on H.R. 1154.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. CRANE] has expired.

Mr. DUNCAN. Madam Chairman, I yield the gentleman from Illinois 1 additional minute.

Madam Chairman, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from Tennessee.

Mr. DUNCAN. Madam Chairman, as the gentleman knows, I have the high-

est respect for him, but the gentleman's numbers are a little different from the Commerce News which was put out just yesterday. It shows that the second quarter textile income was down, and also profits were down 12 percent.

Mr. CRANE. In the second quarter of 1987?

Mr. DUNCAN. 1986 and 1987, it shows a comparison that they were down in 1987. The gentleman quoted some figures. I just wondered where the gentleman got those figures, because the Commerce News, which was printed day before yesterday, shows that the profits are down 12 percent.

Mr. CRANE. The gentleman is talking about down 12 percent in the second quarter of 1987 over the second quarter of 1986?

Mr. DUNCAN. Yes. The gentleman was quoting those quarters a moment ago.

Mr. CRANE. Well, I was not comparing the 2 years. I was talking about second quarter increases over the first quarter of this year.

Mr. DUNCAN. And also, the Commerce News says they were down for those quarters.

Mr. CRANE. But it is the second quarter sales and your figures suggest profits were down over the first quarter of this year?

Mr. DUNCAN. I think that is correct, but the gentleman was quoting the two quarters a year ago and 1987, but they are down and continue to be down.

Mr. CRANE. Well, if I was comparing 1987 with 1986, I retract that and stand corrected.

I thank the gentleman.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. Despite what its opponents claim, this legislation is necessary to end the crisis in the textile and footwear industry.

Although I support the bill in its entirety, one of its best features limits "nonrubber footwear" imports to their 1986 levels. There is precedent for this action; from 1977 to 1981, limitations were placed on footwear imports from Korea and Taiwan.

Despite the cries of those in this Congress that say we must have free trade, I contend that free trade must be fair trade. Foreign competition caused 70 "nonrubber footwear" factories to close in 1986, along with another 19 so far this year. Foreign competition cost 9,600 jobs in this industry in 1986. Foreign competition caused imports to rise to the historic high of 941 million pairs in 1986 and foreign competition caused import penetration to hit 82 percent in 1987.

The simple problem is, we cannot compete with unfair and subsidized foreign manufacturers. All the free traders on this floor will talk this afternoon about the need for global competition and international commitments, but the fact of the matter is that our country has a much more noble commitment to its workers than many of our trading partners. We respect the dignity of our workers. We will not let them work at poverty wages and work 18 hours a day. We will not put them in sweatshops and we cannot compete with countries that do.

Madam Chairman, the fact of the matter is that we are better than that. The time has come for action, and this bill will provide it. Stand up to the theorists who tell you that things will get better after this and after some time, and that the principles of free trade are worth more than the dignity of the American worker.

H.R. 1154 is a reasonable and rational solution to a real problem and deserves the support of this House.

Mr. GIBBONS. Madam Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. DONNELLY] having assumed the chair, Ms. KAPTUR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, had come to no resolution thereon.

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of yesterday, the Chair declares the House in recess subject to the call of the Chair. Bells will be rung 15 minutes prior to convening following the ceremonies at the west front of the Capitol.

PARLIAMENTARY INQUIRY

Mr. GIBBONS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GIBBONS. Mr. Speaker, can the Chair inform us about what time we will reconvene?

The SPEAKER pro tempore. The Chair will state that the House will reconvene at approximately 2:15. Bells will be rung 15 minutes prior to the reconvening of the House.

The House will be in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 48 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1430

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 34 minutes p.m.

SUPPLEMENTAL APPOINTMENT OF CONFEREES ON H.R. 3, TRADE AND INTERNATIONAL ECONOMIC POLICY REFORM ACT OF 1987

The SPEAKER. On August 7, 1987, the Chair appointed conferees on H.R. 3, the omnibus trade bill. Pursuant to the order of the House of that day, the Chair will now supplement that initial appointment.

Accordingly, the Chair appoints the following Members from the committees designated, including both the Members initially appointed and Members newly appointed, as conferees and specifies particular portions of the House bill and Senate amendment as the subjects of the various appointments.

Without objection, the appointment will appear at this point in the RECORD.

There was no objection.

The list of conferees is as follows:

CONFEREES ON THE OMNIBUS TRADE BILL (H.R. 3)

From the Committee on Ways and Means, for consideration of titles I, II, VIII, and XV and sections 704 and 906 of the House bill, and titles I, II, III (except sections 308 and 310), IV (except sections 412 through 415), V through VIII, IX (except sections 963, 967 through 972, 974, 975, and 977) of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, DOWNEY of New York, PEASE, RUSSO, GEPHARDT, GUARINI, MATSUI, DUNCAN, ARCHER, VANDER JAGT, CRANE, and FRENZEL.

From the Committee on Ways and Means, for consideration of sections 321, 323, 363, 907 through 909 of the House bill, and title XXXVII and sections 308, 310, 412, 977, 2002, and 3871 of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, DOWNEY of New York, PEASE, RUSSO, CRANE, FRENZEL, and SCHULZE.

From the Committee on Ways and Means, for consideration of sections 613, 626, 627, 671 through 675, 681, 682, 691, and 692 of the House bill, and sections 974, 975, 2112, 2128, 2171, 2173 through 2175, 2191, 2193, and 2194, of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, PEASE, RUSSO, MATSUI, ARCHER, THOMAS of California, and, DAUB.

From the Committee on Ways and Means, for consideration of sections 605 through 607, 611, and 663 of the House bill, and sections 2113, 2114, and 2136 of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, MATSUI, THOMAS of California, and DAUB.

From the Committee on Ways and Means, for consideration of title X of the House bill, and section 3911 of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, GEPHARDT, GUARINI, CRANE, and FRENZEL.

From the Committee on Ways and Means, for consideration of sections 351, 901, and 902 of the House bill, and sections 968 through 972, 1030 through 1033, and 3811 through 3824 of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, DOWNEY of New York, ARCHER, and SCHULZE.

From the Committee on Agriculture, for consideration of title VI and sections 318 through 321 of the House bill, and title XXI (except sections 2178 through 2180A and 2185 through 2187) and sections 601, 602, 604, 605, 974, 975, and 4706 of the Senate amendment, and modifications committed to conference:

Messrs. DE LA GARZA, BROWN of California, PANETTA, GLICKMAN, STENHOLM, VOLKMER, ROBERTS, MORRISON of Washington, GUNDERSON, and GRANDY.

From the Committee on Agriculture, for consideration of section 308 of the Senate amendment and modifications committed to conference:

Messrs. DE LA GARZA, BROWN of California, GLICKMAN, ROBERTS, and MORRISON of Washington.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 126 (insofar as it would add new sections 311(g) (1) and (2) to the Trade Act of 1974), sections 401 through 427, and 431 through 452 of the House bill, and titles XIII and XVII and sections 108, 2008, 2012, and 2178 through 2180A of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, GARCIA, LAFALCE, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 322 of the House bill, and section 1106 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. GARCIA, VENTO, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 341 and 344 of the House bill, and modifications committed to conference:

Mr. FAUNTROY, Ms. OAKAR, and Messrs. GARCIA, LAFALCE, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 428 of the House bill, section 1506 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. VENTO, BARNARD, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 461 through 471 of the House bill, and sections 3801 through 3809 of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, and GARCIA, Ms. OAKAR, and Messrs. LAFALCE, VENTO, WYLIE, LEACH of Iowa, MCMILLAN of North Carolina, and ROTH.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 476 and 477 of the House bill, and sections 1101 through 1103 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Mr. FAUNTROY, Ms. OAKAR, and Messrs. GARCIA, LAFALCE, VENTO, WYLIE, LEACH of Iowa, BEREUTER, and ROTH.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 907 of the House bill, and modifications committed to conference:

Mr. ST GERMAIN, Mr. FAUNTROY, Ms. OAKAR, and Messrs. GARCIA, VENTO, SCHUMER, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 911 of the House bill, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. LAFALCE, VENTO, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 959 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Mr. FAUNTROY, Ms. OAKAR, and Messrs. GARCIA, LAFALCE, SCHUMER, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 1026 and 1027 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. LAFALCE, VENTO, SCHUMER, MORRISION of Connecticut, WYLIE, BEREUTER, ROTH, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 1501 through 1504 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. VENTO, BARNARD, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1805 of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, GARCIA, VENTO, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of title XIX and section 2001 of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, GARCIA, LAFALCE, VENTO, SCHUMER, WYLIE, LEACH of Iowa, BEREUTER, and MCMILLIAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 313 of the House bill, and sections 1201 and 1203 of the Senate amendment, and modifications committed to conference:

Messrs. FAUNTROY, GARCIA, MORRISON of Connecticut, LEACH of Iowa, and BEREUTER.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 326 of the House bill, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. GARCIA, WYLIE, and LEACH of Iowa.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 345 of the House bill, and modifications committed to conference:

Ms. OAKAR, and Messrs. LAFALCE, VENTO, LEACH of Iowa, and BEREUTER.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 664 of the House bill, and sections 1801, 3903, and 3906 of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, GARCIA, WYLIE, and BEREUTER.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 702 of the House

bill, and modifications committed to conference:

Mr. ST GERMAIN, Mr. FAUNTROY, Ms. OAKAR, Mr. WYLIE, and Mr. MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 902, 905, and 912 of the House bill, and title XIV and sections 3811 through 3824, 3861 through 3867, and 4501 of the Senate amendment, and modifications committed to conference:

Ms. OAKAR, and Messrs. LAFALCE, VENTO, MCMILLAN of North Carolina, and ROTH.

From the Committee on Banking, Finance and Urban Affairs, for consideration of secton 1303 of the House bill, and modifications committed to conference:

Ms. OAKAR, and Messrs. FAUNTROY, GARCIA, LEACH of Iowa, and MCMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1105 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. GARCIA, WYLIE, and BEREUTER.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1505 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. VENTO, WYLIE, and LEACH of Iowa.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 3854 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. VENTO, WYLIE, and MCMILLAN of North Carolina.

From the Committee on Foreign Affairs, for consideration of title III (except sections 322, 326, and 351) and sections 451, 601 through 612, 621 through 623, 625, 631 through 637, 641 through 651, 653, 663, 701, 903, 907 and 912 of the House bill, and titles X (except sections 1030 through 1033), XII, XVI, XVIII (except section 1801), XX (except sections 2001 and 2008), and XLVII and sections 311, 413 through 415, 958, 963 through 972, 977, 1104, 1304, 1504, 2111, 2113 through 2127, 2129, 2132 through 2136, 2138, 2139A through 2166, 2180B through 2182, 2184, 2192, 3851, 3881, 4501, and 4901 of the Senate amendment, and modifications committed to conference:

Messrs. FASCELL, BONKER, MICA, BERMAN, LEVINE of California, BILBRAY, BROOMFIELD, ROTH, BEREUTER, and MILLER of Washington.

Except that:

For consideration of section 331 of the House bill, Messrs. WOLPE, FEIGHAN, and LAGOMARSINO are appointed, vice Messrs. LEVINE of California, BILBRAY, and MILLER of Washington;

For consideration of sections 318 through 321, 345, 451, and 912 of the House bill, Mr. GEJDENSON is appointed, vice Mr. LEVINE of California;

For consideration of sections 301 through 317 and 323-326 of the House bill, Mr. FEIGHAN is appointed, vice Mr. LEVINE of California;

For consideration of section 325 of the House bill, Mr. SOLARZ is appointed, vice Mr. LEVINE of California;

For consideration of title XLVII and sections 311, 958, 968 through 972, 2002 through 2007, 2009 through 2012, and 4901 of the Senate amendment, Mr. SOLARZ is appointed, vice Mr. LEVINE of California;

For consideration of sections 2111, 2113 through 2127, 2129, 2132 through 2136, 2138, 2139A through 2166, 2180B through 2182, 2192, and 4501 of the Senate amendment, Mr. GEJDENSON is appointed, vice Mr. LEVINE of California;

For consideration of title XII and sections 1802 through 1805, and 1807 through 1809 or the Senate amendment, Mr. FEIGHAN is appointed, vice Mr. LEVINE of California;

For consideration of title XLVII of the Senate amendment, Mr. GILMAN is appointed, vice Mr. MILLER of Washington; and

For consideration of section 1020 of the Senate amendment, Messrs. WOLPE, FEIGHAN, and LAGOMARSINO are appointed, vice Messrs. LEVINE of California, BILBRAY, and MILLER of Washington.

From the Committee on Foreign Affairs, for consideration of sections 322, 326, 351, 461 through 471, 664, 702, 703, 901, 902, 905, 1303 through 1306, and 1310 of the House bill, and title XIV and sections 308, 412, 1105, 1505, 1801, 3801 through 3824, 3854, 3902 through 3907, 3910 and 3912 of the Senate amendment, and modifications committed to conference:

Messrs. BONKER, MICA, BERMAN, ROTH, and BEREUTER.

Except that:

For consideration of section 664 of the House bill, and sections 308, and 2178 through 2180A of the Senate amendment, Mr. GEJDENSON is appointed, vice Mr. BERMAN; and

For consideration of sections 1303 through 1306 and 1310 of the House bill, and sections 3902 through 3907, 3910, and 3912 of the Senate amendment, Mr. BROOMFIELD is appointed, vice Mr. BEREUTER.

From the Committee on Foreign Affairs, for consideration of sections 1030 through 1033 of the Senate amendment, and modifications committed to conference:

Messrs. FASCELL, BONKER, MICA, BROOMFIELD, and ROTH.

From the Committee on Energy and Commerce, for consideration of title II and section 703 of the House bill, and sections 901 through 913 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, SHARP, SWIFT, BRYANT, SYNAR, ECKART, SLATTERY, LENT, MOORHEAD, RINALDO, DANNEMEYER, and RITTER.

From the Committee on Energy and Commerce, for consideration of sections 104, 181, 183, 324, 701, 703, 903, 904, 906, and 909 of the House bill, and title XVI and sections 1503, 1802, and 3851 through 3853 of the Senate amendment, and modifications committed to conference; for consideration of sections 121 and 124 of the House bill, and sections 306 and 307 of the Senate amendment, and modifications committed to conference, except for those matters relating to suspension, withdrawal, or prevention of trade agreement concessions or to imposition of duties or other import restrictions on goods; and for consideration of section 201 of the Senate amendment (insofar as it would add new sections 204(d)(1)(B)(ii) and 204(d)(2) (B) through (E) to the Trade Act of 1974), and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, SHARP, SWIFT, BRYANT, LENT, MOORHEAD, RINALDO, and DANNEMEYER.

From the Committee on Energy and Commerce, for the consideration of section 198 of the House bill and sections 2185 through 2188 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, SHARP, SWIFT, BRYANT, LENT, MOORHEAD, DANNEMEYER, and COATS.

From the Committee on Energy and Commerce, for the consideration of sections 908, 910, and 911 of the House bill and section 310 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, SHARP, SWIFT, BRYANT, LENT, RINALDO, DANNEMEYER, and RITTER.

From the Committee on Energy and Commerce, for consideration of sections 311 through 316, 345, 461 through 471, 901, 902, 905, 907, and 912 of the House bill, and titles XII (except section 1207) and XIV and sections 968 through 972, 1801, 1802, 3801 through 3824, and 4501 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, LENT, and DANNEMEYER.

From the Committee on Energy and Commerce, for consideration of section 331 of the House bill, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, LENT, and MOORHEAD.

From the Committee on Energy and Commerce, for consideration of section 702 of the House bill, and sections 1505 and 3854 of the Senate amend-

ment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, LENT, and RINALDO.

From the Committee on Energy and Commerce, for consideration of sections 3861 through 3867 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, LENT, and RITTER.

From the Committee on Education and Labor, for consideration of title V (except subtitle B) of the House bill, and titles XXIII through XXXII of the Senate amendment, and modifications committed to conference:

Messrs. HAWKINS, FORD of Michigan, BIAGGI, KILDEE, WILLIAMS, JEFFORDS, GOODLING, and COLEMAN of Missouri.

From the Committee on Education and Labor, for consideration of subtitle B of title V of the House bill, and title XXII of the Senate amendment (except the portion of section 2202 that would add new part B to title III of the Job-Training Partnership Act), and modifications committed to conference:

Messrs. HAWKINS, FORD of Michigan, GAYDOS, CLAY, MARTINEZ, and JEFFORDS, Mrs. ROUKEMA, and Mr. GUNDERSON.

From the Committee on Education and Labor, for consideration of section 2202 of the Senate amendment (insofar as it would add new part B to title III of the Job-Training Partnership Act), and modifications committed to conference:

Messrs. HAWKINS, FORD of Michigan, GAYDOS, CLAY, MARTINEZ, MURPHY, OWENS of New York, and JEFFORDS, Mrs. ROUKEMA, Mr. GUNDERSON, and Mr. BARTLETT.

From the Committee on Education and Labor for consideration of section 904 of the House bill, and modifications committed to conference:

Messrs. HAWKINS, FORD of Michigan, GAYDOS, JEFFORDS, and GOODLING.

From the Committee on the Judiciary, for consideration of title XIV and sections 166, 171 through 173 of the House bill, and titles XXXIII through XXXVI and sections 201 (insofar as it would add new section 203(f) to the Trade Act of 1974), 401, 415, 416, 1107, 1806, 1908, and 1910 of the Senate amendment, and modifications committed to conference:

Messrs. RODINO, KASTENMEIER, EDWARDS of California, and HUGHES, Mrs. SCHROEDER, and Messrs. CROCKETT, FISH, MOORHEAD, HYDE, and LUNGREN.

From the Committee on the Judiciary, for consideration of sections 872 and 873 of the House bill, and modifications committed to conference:

Messrs. RODINO, KASTENMEIER, EDWARDS of California, and HUGHES, Mrs. SCHROEDER, and Messrs. CROCKETT, MCCOLLUM, LUNGREN, FISH, and MOORHEAD.

From the Committee on the Judiciary, for consideration of sections 326, 905, and 912 of the House bill, and titles XIV, XLVIII and sections 1105 and 3861 through 3867 of the Senate amendment, and modifications committed to conference:

Messrs. RODINO, EDWARDS of California, HUGHES, FISH, and MOORHEAD.

From the Committee on the Judiciary, for consideration of sections 351 of the House bill, and modifications committed to conference:

Mr. RODINO, Mr. KASTENMEIER, Mrs. SCHROEDER, Mr. FISH, and Mr. MOORHEAD.

From the Committee on the Judiciary, for consideration of section 701 of the House bill, and sections 1603 through 1605 of the Senate amendment, and modifications committed to conference:

Messrs. RODINO, HUGHES, CROCKETT, MCCOLLUM, and LUNGREN.

From the Committee on the Judiciary, for consideration of section 703(h) of the House bill, and sections 1603 through 1605 of the Senate amendment, and modifications committed to conference:

Messrs. RODINO, HUGHES, CROCKETT, FISH, and MOORHEAD.

From the Committee on Government Operations, for consideration of titles X and XVI of the House bill, and title XLVIII of the Senate amendment, and modifications committed to conference:

Messrs. BROOKS, CONYERS, NEAL, FRANK, WEISS, HORTON, WALKER, and CLINGER.

From the Committee on Government Operations, for consideration of sections 461 through 471 of the House bill, and sections 1030 through 1033 and 3801 through 3809 of the Senate amendment, and modifications committed to conference:

Messrs. BROOKS, CONYERS, NEAL, HORTON, and WALKER.

From the Committee on Merchant Marine and Fisheries, for consideration of title XI of the House bill, and title XLVI and section 2011 of the Senate amendment, and modifications committed to conference:

Messrs. JONES of North Carolina, BIAGGI, ANDERSON, STUDDS, BONKER, HUGHES, DAVIS of Michigan, LENT, YOUNG of Alaska, and SHUMWAY.

From the Committee on Public Works and Transportation, for consideration of title XII of the House bill, and section 4502 of the Senate amendment, and modifications committed to conference:

Messrs. MINETA, OBERSTAR, NOWAK, RAHALL, APPLEGATE, DE LUGO, HAMMERSCHMIDT, STANGELAND, GINGRICH, and CLINGER.

From the Committee on Small Business, for consideration of title XIII and section 186 of the House bill, and titles XXXVII and XXXIX and section 1804 (insofar as it would new section 661(d)(2)(B) to the Foreign Assistance Act of 1961) of the Senate amendment, and modifications committed to conference:

Messrs. LAFALCE, SMITH of Iowa, SKELTON, MAVROULES, BILBRAY, MCDADE, IRELAND, and CONTE.

From the Committee on Small Business for consideration of section 314 of the House bill (insofar as it would add new section 203(c) to the Export Administration Amendments Act of 1985), and modifications committed to conference:

Messrs. LAFALCE, SMITH of Iowa, SKELTON, MCDADE, and IRELAND.

From the Committee on Science, Space, and Technology, for consideration of section 911 of the House bill, and modifications committed to conference:

Messrs. ROE, WALGREN, MACKAY, VALENTINE, BROWN of California, SCHEUER, LUJAN, BOEHLERT, RITTER, and PACKARD.

From the Committee on Science, Space, and Technology, for consideration of sections 3852 and 3853 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, MACKAY, BROWN of California, and SCHEUER, Mrs. LLOYD, Messrs. LUJAN, MORRISON of Washington, RITTER, and Mrs. MORELLA.

From the Committee on Science, Space, and Technology, for consideration of section 3871 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, MACKAY, BROWN of California, and SCHEUER, Mrs. LLOYD, and Messrs. LUJAN, BOEHLERT, WALKER, and SENSENBRENNER.

From the Committee on Science, Space, and Technology, for consideration of sections 3881 through 3884 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, MCCURDY, GLICKMAN, NELSON of Florida, MCMILLEN of Maryland, HAYES of Louisiana, LUJAN, LEWIS of Florida, WALKER, and RITTER.

From the Committee on Science, Space, and Technology, for consideration of titles XL through XLIV and sections 4503 through 4505 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, BROWN of California, and SCHEUER, Mrs. LLOYD, and Messrs. GLICKMAN, LUJAN, and BOEHLERT, Miss SCHNEIDER, and Mr. RITTER.

From the Committee on Science, Space, and Technology, for consideration of section 4902 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, BROWN of California, and SCHEUER, Mrs. LLOYD, and Messrs. GLICKMAN, LUJAN, LEWIS of Florida, PACKARD, and BUECHNER.

From the Committee on Science, Space, and Technology, for consideration of sections 461 through 471 and 904 of the House bill, and sections 2305, 3801 through 3809, and 3909 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, BROWN of California, LUJAN, and BOEHLERT.

From the Committee on Science, Space, and Technology, for consideration of section 411 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, HALL of Texas, TORRICELLI, LUJAN, and SENSENBRENNER.

From the Committee on Science, Space, and Technology, for consideration of sections 3861 through 3867 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, VALENTINE, LUJAN, and RITTER.

From the Committee on Rules, for consideration of title XVI and sections 114(d) and (e) of the House bill, and sections 104, 107, 110, and 2131 of the Senate amendment, and modifications committed to conference:

Messrs. PEPPER, MOAKLEY, DERRICK, HALL of Ohio, WHEAT, LOTT, and TAYLOR.

From the Committee on Armed Services, for consideration of sections 1030 through 1034, and 4901 of the Senate amendment, and modifications committed to conference:

Messrs. ASPIN, STRATTON, MAVROULES, BADHAM, and HUNTER.

From the Committee on Armed Services, for consideration of section 1021 of the Senate amendment, and modifications committed to conference:

Messrs. ASPIN, MAVROULES, and HUNTER.

TEXTILE AND APPAREL TRADE ACT OF 1987

The SPEAKER. Pursuant to House Resolution 256 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1154.

□ 1436

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, with Ms. KAPTUR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, there were 2 hours and 37 minutes remaining in general debate. The gentleman from Florida [Mr. GIBBONS] has 41 minutes of general debate remaining, the gentleman from Tennessee [Mr. DUNCAN] has 36 minutes remaining, the gentleman from Georgia [Mr. JENKINS] has 40 minutes remaining, and the gentleman from Illinois [Mr. CRANE] has 40 minutes remaining.

The Chair recognizes the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from Oregon [Mr. AUCOIN], who is a very distinguished Member of this body and one who has devoted a great deal of time and expertise to the study of this matter.

Mr. AUCOIN. Madam Chairman, I rise in opposition to this bill.

We've heard how this bill is going to get the American textile industry back on its feet again. But the truth is: this bill would actually knock several American companies off of their feet instead.

My congressional district is the home of the corporate offices of Nike and Avia. These are two companies founded in America that employ thousands of my constituents—Americans—who design, market, test, and distribute their athletic footwear.

These companies spotted a change in the tastes of consumers, and began reaching a new market, made up of consumers who liked high-tech, athletic shoes. Domestic companies closed their eyes to that change, and they forfeited the market. Whose fault is that? Not Nike, Avia, or Reebok. Yet this bill penalizes them by including their products in the shoe quota.

And what really galls me is that this protectionism is being imposed when there is no American producer of this type of athletic shoe! How can it make sense to protect an industry that doesn't exist—and injure American companies that do exist?

Do you know what the shoe companies seeking this protection say to that? They say that even though they're not in the athletic shoe market, the companies who are, are indirectly guilty of unfair competition. Alan Wainberg of G.H. Bass Co. explained it this way: "People who used to buy Bass sandals now buy athletic shoes." I say to Mr. Wainberg and other supporters of this bill: What right do you have to come running to Big Daddy government to legislate what kinds of shoes Americans put on their feet? Are you going to mandate that everybody wear Hush Puppies? Nike and Avia are true American success stories. And I remember when I was growing up being told that one's potential for future success was dependent only on one's energy and vision.

But this bill before us takes a different approach to free enterprise.

This bill actually stops the growth of these American companies dead in their tracks by freezing the amount of shoes that they can import.

The fact is that demand for these shoes is increasing. Avia, for example, imported and sold 2 million pairs of shoes in 1986. For the fall 1988 season, they have already ordered and purchased 10 million pair of shoes. In the meantime, the number of people employed in their corporate headquarters has risen to about 200 people in just a few years, and there are plans to employ even more people in the future.

This bill threatens that economic growth. If it had been law a few years ago, companies like Avia would never have started. And, on top of everything else, the bill invites retaliation—against farm products, electronics products, and many other American exports.

What is free enterprise all about? Doesn't it mean rewarding a company that is clever enough to capture the imagination of the American consumer? I think it does.

But the authors of this bill have a different view. They believe that the American consumer's tastes cannot be trusted. And they have so much faith in the Congress' ability to micromanage our economy that they believe they can actually decide what kind of shoes the American public should be wearing.

Madam Chairman, there are dozens of other reasons why we should reject this legislation. But I just wanted to take my time to point out how protectionism is not a free ride. You try to prop up one sector of our economy and there are shock waves elsewhere, not just internationally but domestically as well.

I therefore urge my colleagues to vote against the textile bill.

Mr. CRANE. Madam Chairman, I yield 6 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Madam Chairman, I have with me today a familiar face to many of us here on Capitol Hill—his name is Dennis Gill. Dennis and two of his cardboard friends were kind enough to visit every congressional office here in Washington. They all have these same sad puppy dog faces. They all work in textile plants and are here to tell us that they are going to lose their jobs if we don't pass today's textile bill.

What they may not know, however, is how this bill is going to hurt them if it passes. More importantly, though, is how it is going to hurt the other 238 million American's that don't work in a textile plant.

H.R. 1154 is a textbook example of "special interest legislation." The definition of "special interest legislation" is—a bill in Congress that benefits a well organized, well funded, person or group at the expense of others who are either not special or not of interest. This bill, for the first time, will set

global quotas for textile, apparel, and footwear imports into this country. This means that more consumer choices about what consumers buy and how much consumers pay are going to be made on the floor of this House rather than in the store by the consumer.

And not only will we be removing those choices, we will be eroding the meager living standards of millions of poor Americans across the country. This bill will undoubtedly be the most regressive bill we will pass this Congress. Today, the poor people of this country are the ones that aren't special to the proponents of this bill.

Let me illustrate just what I mean by regressive:

Dennis has a nice blue jean outfit on today that was undoubtedly made in the U.S.A. Because of the textile bill, his clothes, and everyone else's clothes, will go up in cost regardless of where they were made.

According to a just released study by Dr. William Cline at the Institute for International Economics, Dennis and the rest of us have had to pay 19-percent more for our U.S. made clothes and 35-percent more for our imported clothes because of restrictions on textiles and apparel imports. And what's worse, these figures will double after this bill passes.

Dennis paid $37 for his jacket. If he had bought it in a free market, he would have only paid $30. And if he buys it after H.R. 1154 is enacted, he will pay $44 for that same jacket. Even worse, if his $37 jacket is imported, he will pay almost $50 for that same jacket after the textile bill is enacted.

Dennis paid $26 for his flannel shirt. If he had bought it in a free market, he would have only paid $21. If he buys a shirt after today's bill, he will pay $31. If his $26 shirt happens to be made in Taiwan, he will pay $35 after today's bill.

Dennis paid $60 for his shoes. If he had bought them in a free market, he would have paid only $48. And if he buys them after today's bill takes effect, he will pay $71.34. If his $60 shoes are imported, he will pay over $80 because of the textile bill!

Dennis also has five children that he has to clothe and feed. According to the Department of Agriculture, he will spend over $30,000 to buy the five of them clothes from the time they are born to age 18. If Dennis didn't have to open his pockets to protect his industry, the textile industry, and the footwear industry—he would save $7,244 on those clothes! And if this bill passes, Dennis will pay over $14,000 for protectionism on his children's clothes!

For $14,000, Dennis could buy a college education. He could tithe to the church. He could put a down payment on a house. He could buy a new car.

But he won't. He, unfortunately, doesn't live in a fantasy land of free markets and unprotected goods. He lives in the land of special interests. The special interests, like the textile and apparel industry, will profit from this bill at the expense of most other Americans—Americans who are not special to the people of this body who vote for this bill.

Vote "No" on this bill. Send a message to the poor and the homeless that you care more about them than selfish special interests.

□ 1445

Mr. GIBBONS. Madam Chairman, I yield 5 minutes to the gentleman from Washington [Mr. BONKER], who, as all of the Members know, is chairman of the Subcommittee on International Economic Policy and Trade of the Committee on Foreign Affairs.

The gentleman has been head of the Export Task Force of this Congress for many, many years.

Mr. BONKER. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in opposition to H.R. 1154. I would like to take this opportunity to commend the gentleman from Florida [Mr. GIBBONS], the chairman of the subcommittee, as well as the gentleman from Minnesota [Mr. FRENZEL], for the gentlemen's leadership demonstrated and the commitment the gentlemen have devoted to this important issue.

There are clearly four good reasons why we should oppose this special-interest legislation.

First, this House adopted a comprehensive trade bill a few months ago; and we took great pains to make sure that there were no protectionist features in that bill, that the emphasis would be on export promotion, that we would attempt to deal with our trade deficit in a very positive way.

What we are about to do here, if the House were to adopt this legislation, is really an affront to that good effort to put forth a comprehensive trade bill.

Second, the textile industry today is prospering. There is plenty of evidence in their employment numbers, in their profits, and the very fact that this industry has striven to restore its competitive position.

I congratulate them, but it is no basis whatsoever to extend even more protection to that industry.

Third, I am concerned about the precedent that we may establish by favorable action on this legislation. Indeed we would open the door and extend an invitation for other segments of the American industry to come to us looking for special favors, special protection, if you will.

In October 1985 and again in August 1986 when we spoke about the override issue, I made the case in the well of the floor that the timber industry which I represent is in far graver danger than the textile industry; and if a case could be made for the textile industry, an even better case could be made for the timber industry, the aluminum industry, the automobile industry and all the others that make up the mighty economy in the United States.

We would set a very dangerous precedent for others to come knocking on our door, and let us take a lesson from history. The Smoot-Hawley Tariff Act of 1929 was a good example of what is about to occur here today.

When Herbert Hoover traveled around the country as a candidate for President, he promised that if elected, he would convene a special session of the Congress for the purpose of taking up a limited tariff bill, and before the House concluded its work over 20,000 items, import items, became subject to higher tariffs; and that, if anything, precipitated the collapse of the world trading system.

Madam Chairman, my gravest concern has to do with our international obligations.

The gentleman from Florida [Mr. GIBBONS] has made available information on how H.R. 1154 would unilaterally violate our sacred agreements under GATT, would violate the bilateral agreements negotiated under the multifiber arrangement.

Mr. Speaker, the United States has worked hard since World War II to establish institutions and rules which would restore the world trading system.

We have very much at stake in maintaining those institutions; but if the United States were to violate the agreements, if we were to abandon our commitments to these agreements, what kind of standard would this set for other countries?

The only hope for the world trading system, especially in a world of overcapacity and intense competition and greater protectionist tendencies, is to have global institutions that can deal with these problems. If the United States, the most powerful economy in the world, were to turn her back on GATT and other agreements and treaties, what hope is there for other countries to adhere to them?

We have a responsibility to uphold those commitments and to uphold America's honor.

I urge opposition to this special-interest bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. CLARKE].

Mr. CLARKE. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. The textile industry is the No. 1

industry of my State of North Carolina.

Primarily because of the competition from low-wage countries of the Far East and Latin America, we have seen numerous textile plant closings in recent years, with the loss of thousands of jobs. This trend continues today.

A major part of the problem is weak enforcement of our existing trade agreements. Under the Multi-Fiber Arrangement, textile and apparel imports into the United States were due to rise at a rate of 6 percent during the 1980's. In reality they rose more than five times this much in 1983 and in 1984. Last year the total U.S. trade deficit due to textile and apparel imports was over $20 billion.

This situation cannot continue unless we are willing to let whole sections of our textile industry be eliminated.

H.R. 1154 sets limits on overall imports of a wide range of textile, apparel, and footwear. An annual increase of 1 percent a year in these imports is permitted in line with the growth of the American market. H.R. 1154 calls for strong enforcement of our existing trade agreements and strong action to stop the evasion of quotas which has been accomplished so successfully by some textile-producing countries.

The bottom line of the textile bill is not a textbook theory of free trade but a measure to save the jobs and the livelihood of thousands of American workers, many of whom are older persons who would find it very difficult to retrain for any other work.

On behalf of these people and their families, I urge your strong support for H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. JONES].

Mr. JONES of Tennessee. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, today I come before this House again to support legislation that will control the textile, apparel, and footwear imports coming into our country, H.R. 1154.

I would like to take this opportunity to stress the necessity of the passage of this legislation. The statistics clearly show the devastating impact of imports on both the domestic textile and footwear industries. Imports now comprise over one-half the U.S. apparel market and 81 percent of the domestic footwear market. In the past 6 years, foreign nations have more than doubled their textile and apparel imports into our market resulting in a loss of over 400,000 jobs and more than 1,500 factories in those domestic industries. The footwear industry has certainly fared no better. In 1986 alone, 70 shoe factories have closed and footwear unemployment averaged 15.4 percent in 1986.

Not only have I watched the statistics showing jobs and industries lost in our country over the years as a direct result of increasing textile and footwear imports, but I have also seen these effects firsthand in my congressional district and in my State. My State, Tennessee, is the fifth largest footwear producing State in our country. In 1986, however, our State alone had six footwear plants close, and in 1985, eight footwear factories closed.

It is important to understand the negative impact of these domestic industries to an area and to our country as a whole. The textile, apparel, and footwear industries are traditionally located in rural communities where that factory may be the largest employer. This fact makes these manufacturers vital to those rural economies in which most are located. In a county where the total work force may be around 6,000 people, one plant closing is deterimental to not only those who lost their jobs, but also to those small businesses and communities who depend on their support for survival. Many of the employees of these industries are women and provide the only source of income for an entire family. It is obvious, therefore, that once a factory is closed, no alternative employment for those in need of a job may be found.

The Textile and Apparel Trade Act of 1987 would establish much-needed quotas on all textiles and textile products imported based on the level of those imports for 1986, with 1 percent growth allowed each year. Footwear imports will also be limited to 1986 levels. Not only will this legislation help curb the large number of imports in these industries, it would reduce our Federal deficit by as much as $500 million while creating over 150,000 new jobs in the second year after its enactment.

Factories continue to close in our country and jobs continue to be lost as a direct result of foreign imports. Our current trade policies regulating textile, apparel, and footwear imports have failed and a legislative remedy is imperative.

H.R. 1154 can provide our domestic textile and footwear industries a market in which they may be competitive. The future of these domestic industries and the jobs they provide are at stake.

I urge my colleagues to vote "yes" on H.R. 1154.

□ 1455

Mr. DUNCAN. Madam Chairman, I yield 4 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Madam Chairman, I rise in support of this legislation so critical to America's footwear and textile industries.

Madam Chairman, those who think the current trade relief process is sufficient should reflect on the shoe industry, a case in point that should be regarded in this legislation.

In 1981, when the Orderly Marketing Agreements expired, the level of import penetration for shoes was 51 percent.

In 1985, when the ITC unanimously recommended relief for the industry and the President denied it, the level was 75 percent.

And what has happened since the last time we considered this legislation in this House? Import penetration is at an alltime high—84 percent. Restrictions were placed on imported automobiles when the levels were but one-fourth of the level the footwear industry endures today. Yet that 84 percent level is the level at which this legislation freezes imports.

I would have supported a rollback to 75 percent in light of the International Trade Commission's decision.

Nonetheless, we do have to draw the line in the sand somewhere, even if it is 84 percent, while we still have shoes on our feet to draw that line. Factory closings and dislocated workers due to patently unfair trading practices and imports have become all too familiar in my State. The familiarity, however, does not yield acceptance of these unfair trade practices.

Failure to enforce the existing trade laws has culminated in this situation. And enactment of the trade reform bill will not resolve the plight of these industries. Whatever its merits or demerits, that bill is prospective in focus—it won't take care of the problems at hand today with both of these industries; [the problems created by the combination of weak trade laws, weaker enforcement, and unfair trade practices.]

My concern is that this Congress and the American Government are no longer capable of recognizing that there is such a thing as a legitimate trade grievance. I worry that blind adherence to the free trade concept at whatever costs has produced a de facto surrender to other nations who are more than willing to use unfair or disruptive practices.

As Commerce Department official William Perry wrote,

> There is a growing perception among those who do not rely on such laws that U.S. trade laws are protectionist in a negative sense * * *. In fact, they are designed to eliminate the effect in the United States of certain foreign practices which the international community recognizes as commercially unfair and injurious.

In part because of the broad sweeping free trade perception, the textile and apparel industries are in a plight similar to footwear.

They, too, have suffered from tremendous production increases in developing nations, a lack of response to this huge, targeted export growth by our government, and the ineffective-

ness of current restraints under the Multifiber Arrangement.

In the State of Maine, alone, we have lost one-third of our work force in this industry since 1970. By doing nothing, according to a recent Office of Technology Assessment report, domestic sales of U.S. apparel will be virtually negligible by the year 2000, because the United States will not be taking any action. Two-thirds of the U.S. textile market would be served by foreign interests. As that report has indicated, an absence of action by this Government means the future of these industries will be dictated by foreign governments because they are willing to go the extra mile at any length and at any cost to preserve their industry.

Madam Chairman, if we do not enact this legislation in 1987, I fear that next year we will be considering a memorium resolution for the shoe industry. The situation is that bad and that critical. If we cannot give assistance to those industries under our existing trade laws, protecting their rights as enacted by this House and this Senate, then I fear for the future of other industries as well, because they cannot rely on their government for any kind of legitimate lead under legitimate circumstances.

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Madam Chairman, I rise in opposition to the textile bill.

This legislation blatantly disregards free trade practices and clearly smacks of protectionism. We are all concerned about the loss of jobs in the domestic shoe industry, but in solving this problem we must not destroy jobs in the import shoe industry.

A freeze on shoe imports would stunt the growth of small and medium size companies all across America. The Volume Shoe Corp., a major importer of footwear in this country, is representative of companies that would become economic casualties if this bill becomes law.

The growth of the Volume Shoe Corp. would come to a screeching halt if this legislation is passed.

Today, Volume Shoe employs 1,250 people in its headquarters in Topeka, KS, and provides 12,000 more jobs in its Payless Shoe Stores across the country.

Left alone, the import shoe industry will continue to create thousands of jobs each year. On average, Volume Shoe opens one new retail outlet each day, employing five people in each store on the retail level in addition to many other jobs created in shipping, distribution, and the construction operation that has to support that incredible expansion.

Does free trade threaten the domestic shoe industry? The evidence suggests that it does not. Growth of the U.S. shoe market is largely attributable to the increase in the number of inexpensive imported shoes.

The fact is market growth of 40 percent in recent years has been due to lower income Americans buying more inexpensive shoes, and these are imported shoes which cannot be produced profitably in this country.

I have strongly supported tough action to help open U.S. markets abroad and to prevent U.S. workers and companies from being victimized by the subsidies of foreign governments. That is why I supported the Gephardt amendment, but I do not support or condone protectionism, and that is what we are dealing with today.

The U.S. shoe industry has frequently sought Federal protection, but has failed to show that their problems stem from unfair trade practices.

Madam Chairman, I am also concerned that this bill would trigger retaliation against American agricultural exports.

The cost of this bill will ultimately be felt in the pocketbooks of Americans, both through higher retail prices and the loss of American jobs, especially in the import shoe industry in this country.

I strongly urge my colleagues to oppose this legislation.

Mr. CRANE. Madam Chairman, I yield 3 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Madam Chairman, what we have here is a bill that when you strip away all the details raises barriers against importing primarily textiles into this country. That is what it does.

Now, the proponents of the bill know that if this bill passes it will hurt our port and shipping and apparel industries. It will mean that people in those industries will lose jobs, but the proponents say, "Well, it's too bad, but we've got to help the textile industry because the textile industry is hurting."

Now, if this bill passes, the aircraft, the high technology or agricultural sectors are going to be hurt. Jobs are going to be lost there when other nations retaliate and the proponents of this bill know that, but they say, "Well, it may be tough, but we've got to help the textile industry because the textile industry is hurting."

The proponents know that if this bill passes, regions of our country such as the gulf coast and the Pacific coast and the Northwest are going to be hurt, but they say, "Well, we've got to help the textile industry because the textile industry is hurting."

Well, what about our friends abroad? Several of us visited the Philippines recently. President Aquino told us how in the Philippines they were reducing and eliminating tariffs. That is one of her big planks in her economic recovery program, and then she turned to us and said, "While we do that, why are you considering hitting us in one of our major exports to the United States, textiles?"

Of course, the proponents of this bill know that this bill will hurt this friendly struggling democracy in the Philippines, but they say, "Well, the U.S. textile industry is hurting and needs help."

Well, let us look at the U.S. textile industry. Are jobs down in that industry in the past year? No, jobs are up, up 30,000.

Are hourly earnings down? No, hourly earnings are up.

Is production down? No, production over the last year is up.

Are profits down? No, profits are up.

Madam Chairman, this industry does not deserve relief. It deserves congratulations. As one of the chief executives in the textile industry says, and I quote from a recent article in the news media.

> The only thing that worries us is getting people to fill the jobs. There are just more jobs than there are people. We are running at 100 percent capacity.

Madam Chairman, this is not a bill whose time has come; oh, no. Instead, time has passed this bill by. We should defeat it.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Madam Chairman, I thank the gentleman from Georgia.

I salute the leadership that he and the gentleman from South Carolina have provided for this bill.

If hyperbole were legal tender, this debate would have put a substantial dent in the national deficit. The amount of harm that people have threatened is going to be done by this bill greatly exceeds reality.

I have heard it suggested that this bill will help textiles and damage the apparel industry. Well, I represent an area where the apparel industry very much wants this bill. This is a bill that will help the apparel industry.

The bill will have good and bad aspects, as does every piece of legislation I have ever seen come here. If it were amendable—a thought that I know causes great distress to our friends at ways and means—I would vote for some amendments. I would exempt athletic footwear; but the thrust of the bill is very important. There may be Members in this Chamber entitled to speak from an undiluted free trade position. I do not know who they are. We get from our debates on these issues an operational definition of protectionism. Protectionism is help for an industry that is not present in your State. Protectionism may be what some people think of this bill, but when timber is involved, suddenly protectionism looks a little different.

When other commodities are involved, people switch sides. That is entirely legitimate.

It has become very popular to condemn special interests. I guess special interests are economic groups that do not vote for you.

I do not find any recognizable difference between the special interest groups that are sometimes denounced and the constituencies that are sometimes applauded.

I want to talk about an important aspect of this, the garment workers, very hard working men and women who are underpaid and do excellent work and for reasons outside their control, they are threatened with obliteration by a flood of imports.

This is not a bill to stop imports. This is a bill that regulates the flow. With the passage of this bill, we will still, in my information, be one of the major importers in the world of both garments and textiles.

What we are saying is does the Government simply stand by and neglect completely hard working people who are threatened with a flow and a pace of imports that will overwhelm them, or do we attempt some regulation which will continue a serious flow of imports, and from the competitive standpoint the flow of imports plays the role of providing price competition, but at the same time we keep some domestic capacity.

One of the greatly exaggerated arguments we have had here is how many retail jobs this is going to do away with. Apparently the notion is that if people cannot buy imported clothes, they will go naked. Now, there may be very limited areas where people are allowed to do that. In most of the country, my view is that people will continue to be clothed, and if they cannot buy imported goods in the numbers that they want to buy imported goods, then they will buy goods that are made domestically.

Equity is a very legitimate concern. We have hard working people here who are threatened by a flow of imports that would overwhelm them and this bill will give them some help.

□ 1510

Mr. GIBBONS. Madam Chairman, how much time remains?

The CHAIRMAN (Ms. KAPTUR). The gentleman from Florida [Mr. GIBBONS] has 28 minutes remaining; the gentleman from Georgia [Mr. JENKINS] has 35 minutes remaining; the gentleman from Tennessee [Mr. DUNCAN] has 29 minutes remaining; and the gentleman from Illinois [Mr. CRANE] has 35 minutes remaining.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Alabama [Mr. NICHOLS].

Mr. NICHOLS. Madam Chairman, I rise today in support of H.R. 1154, the Textile and Apparel Act of 1987, and would like to focus on two aspects which I hope my colleagues will consider prior to today's vote. first, part of the global strength of the United States lies in our ability to arm, clothe, and prepare great forces of men and materials for battle. In the past we have had great success in deploying these men and materials because we could turn to a strong textile industry to aid in the war effort. My distinguished colleagues, the textile industry has been there when we needed them, now I ask that congress stand in this industry's corner in its time of need. Our Constitution reads that congress has the power "to provide for calling forth the militia to execute the Laws of the Union." I also wish to emphasize the responsibility that we must assume before we have to call on our forces.

The textile and apparel industries' ability to provide adequate amounts of uniforms and critical individual equipment during mobilization is being directly threatened by the vast amounts of foreign imports. In the past engagements such as Korea and Vietnam it has taken this industry 1 full year to meet the minimal amount of uniforms and individual equipment required during the transition from peace to war. This even includes the warstock reserves.

Lt. Col. Joseph W. Kernodle of the Industrial College of the Armed Forces at Fort McNair has conducted a compelling study on the relationship between textiles and mobilization. He concludes that in 5 to 10 years the U.S. textile and apparel industry will not be able to support the mobilization of U.S. forces. According to Colonel Kernodle 80 out of 500 manufacturers identified for military production closed in 1985. It doesn't take a pile of facts and figures to show there will not be an adequate textile industry to meet the needs of quality products for the armed services to be successful in the near future.

Second, Madam Chairman, I have the privilege to represent one of the largest textile districts in the United States. These thousands of employees are dedicated hard working men and women, black and white, and from all walks of life, and they love their country and respect our Nation's great democratic traditions. Their employers cannot be accused of having failed to modernize—the facts will show that the U.S. textile industry is one of the most modern and efficient in the world. All my constituents ask for is a level playing field—a fair chance to compete against an ever-increasing onslaught of foreign competition which has cost some 1.7 million jobs from 1981 through 1985!! Adoption of this important bill would create 152,000 jobs after the second year of enactment. The textile and apparel trade deficit alone jumped 22 percent the first 6 months this year over last year. clearly this fact, alone, shows that the problems remain unsolved. I want to see a strong, healthy American economy with people working. I urge my colleagues to vote for H.R. 1154.

Mr. DUNCAN. Madam Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Madam Chairman, if I had the power in this Congress to eliminate the use of one word in these Halls and throughout the Halls of Congress, that would be "retaliation." It is a devastating word. It is a cowardly word.

For 10 years before I came to the Congress of the United States, I watched young men being killed in Southeast Asia based on a policy that somehow or other we were going to win if we feared the retaliation of China and the retaliation of the Soviet Union.

That is what our whole policy was based on, the policy of the Congress, maybe the policy of some of the military leaders. So it was a hopeless case because we were worried about retaliation.

Madam Chairman, I have been here for 13 years and all I have heard over and over and over again is that word "retaliation." Whenever we needed an excuse we used it.

It is a devastating word, it is a cowardly word. When we couple it with agriculture, that is the most mystifying thing that I ever heard. Where is it that we cannot send products that we are going to send products if we do not pass this legislation?

Is it to the EEC? What are we sending to the EEC? In what quantities?

Is it Japan? What agricultural products do we sell to Japan and in what quantities?

Madam Chairman, I represent an agricultural community. I represent a State that has more agriculture, small farms, than any other State. I represent a county, as a matter of fact, that is the fifth in the State of Pennsylvania in agriculture production. They are going to retaliate, oh yes, yes, the President got a little strength a couple of months ago and he said I am going to do a little something in relationship to the EEC. Oh, they yelled retaliation. But what did they do? They came to the United States to negotiate. That is what they did.

Then they got a little more courage, boy, he is getting courageous, and all of a sudden he determines I will needle Japan a little bit, and they said there would be retaliation, retaliation. What did the Japanese do? They came here to negotiate. That is what they did.

They will come here to negotiate now if we pass this piece of legislation. Let us not worry about retaliation.

What do we talk about when we talk about defense? The same people who get up and talk about retaliation are up here saying we need a strong defense. How can you have it if you do not have an industrial base? I would like to know that.

How could we have fought World War II if we did not have the industrial base. We could not have. We could not have won.

Let us think about America for a change.

Mr. GIBBONS. Madam Chairman, I yield myself such time as I may consume to respond to the last speaker.

Madam Chairman, in 1986 the United States exported more than $52 billion in American goods to the European Community, of which $2 billion was in just animal feed and fruits and nuts. In 1986, we exported to Canada almost $45 billion, of which $348 million was fruits and nuts alone.

We exported to China significant quantities of agricultural products.

We exported to Taiwan huge quantities of agricultural products.

We exported agricultural goods to Korea, to Hong Kong, and to Japan. In fact, 40 percent of all the food that the Japanese eat is raised and produced in the United States.

I respect the gentleman from Pennsylvania [Mr. GOODLING] but I am afraid his informant is terribly misinformed.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. YATRON].

Mr. YATRON. Madam Chairman, this is an extremely important vote we will cast today. Last year, we attempted to provide assistance to our beleaguered textile, apparel and footwear industries through passage of a textile bill. Unfortunately, this effort was defeated by a Presidential veto.

It is now a year later and the situation faced by these industries has not changed. In fact, the situation has worsened. America's textile and apparel firms are still plagued by an influx of subsidized imports originating in countries where the labor force is paid as low as 20 cents a day. At the same time, these countries place severe restrictions on American products. From 1980 to 1986, imports grew at an annual level of 17 percent. More recently, the period from January to June 1987 showed a record increase in imports—over 5 percent higher than last year's figures for the same period. These figures translate to 300,000 jobs lost since 1980.

Madam Chairman, it is time for action. H.R. 1154 is a fair proposal which will greatly assist America's textile, apparel and footwear industries. It gives the administration sufficient flexibility to address this problem and also sends a message to importers that unfair trade practices will not be tolerated. It tells them that we will not abandon America's textile workers who have built one of the world's most efficient and productive industries. H.R. 1154 will offer these workers a chance to fairly compete with foreign imports. Let's give them this opportunity. I urge my colleagues to support the Textile and Apparel Trade Act.

Mr. CRANE. Madam Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Madam Chairman, for many of my colleagues, today's debate is not about shaping our best textile, apparel, or footwear policy for the Nation. It is about protecting jobs, particular jobs, and at any cost.

No matter how you look at this bill it spells trouble for America. It will hurt consumers, it will result in a loss of retail and export employment, and it will invite retaliation on the part of our trading partners. Ironically, passage of this bill will hurt the very people it aims to protect and at a time when the textile, apparel industry is making the changes necessary to become competitive.

Madam Chairman, let me address each of the points I have just made.

The Council of Economic Advisers estimates that this bill would cost the consumers of America between $25 and $37 billion over 5 years in the form of higher prices. Particularly hard hit would be the low-income consumers of America.

A textile tariff of this nature is a tax and a regressive tax. Some studies peg the costs as high as $10 billion per year, not including the inflation ripple throughout the rest of the economy.

While sponsors of this bill will try to protect the textile industry, how will it affect employment elsewhere? The best information I have seen indicates that this bill will result in the loss of some 52,000 retail jobs. The consumer costs per job saved is $32,894 next year; and at a cost of $41,561 in 1991.

The above figures represent the most conservative estimates I have seen of consumer costs per job saved.

The International Business and Economic Research Corp. estimates the cost per job at an almost unbelievable $223,000. They also point out that 5,700 more jobs will be lost in the retail sector than would be protected in the manufacturing sector. These estimates are static and they cannot fully predict the full cost to America.

It is no wonder that farmers, aerospace employees, retail employees, and others resist this legislation. They know that for every job protected in the textile and apparel industries there will be dozens of jobs put at jeopardy in their industry.

Madam Chairman, let us look at the beleaguered textile industry and apparel industry that we are hearing so much about. Since last session's heated debate on this textile bill, I was amazed to learn that 11 textile manufacturers in Fortune 500 offered their shareholders a 36 percent total return on investment. For the same period, apparel manufacturers offered their shareholders 21 percent. Both are well above the average for all manufacture.

Listen to these headlines regarding the industry, "Labor Shortage Frustrates Textile Firms." "Cotton Biz Had a Ball in '86; 1987 Looks Better," "U.S. Fiber Execs Optimistic for Strong Performance in 1987," "Increase in South Carolina Apparel Jobs Seen Continuing; New Plants on Horizon."

This is not exactly gloom and doom stuff.

We are contemplating imposing a regressive tax on the poor consumers in America. We will be jeopardizing jobs in areas across the economy that do not have this special interest thrust. We will be risking inflation for the American economy to provide protection for an industry that is currently thriving.

I think an earlier speaker was correct, the time when a case could have been made for this bill has passed the industry by. It is not needed. It will be counterproductive. If you have a special interest constituency that will benefit, certainly you may feel an obligation to vote yes on this legislation. If you do not, if you represent farmers, if you represent consumers, if you represent Americans who want stable prices and free access to goods for their children, you must vote no.

I urge a "no" vote on this legislation.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Madam Chairman, a couple of months ago I came on the floor with some pictures, and these pictures were from a plant in Parsons, WV. The message I had at that time was that these are real people behind this message, or behind the message they are trying to get to us that there is a problem in their industry.

□ 1525

Madam Chairman, here we go again. Last year Congress attempted to combat the textile and apparel trade deficit through the passage of responsible legislation, but the President vetoed it. Textile and apparel industry unemployment has worsened, yet the administration continues to spoof a policy that does not exist in the real world. We have another chance to address the trade deficit problem before our economic seams are stretched to the splitting point.

Since 1981, the U.S. textile and apparel market has been increasingly eroded by foreign manufactured goods. This foreign invasion has cost nearly one-half million American jobs.

The apparel industry in West Virginia has seen 1,000 jobs lost to foreign nations since 1980. Between July 1985 and July 1986 alone, West Virginia lost 600 jobs from its manufacturing base.

Opponents of this bill say it is protectionist and that we have too much to lose. In West Virginia we have very few jobs left. We have only 3,600 apparel jobs left, 2,000 of which are in the manufacture of women and children's clothing, which is the industry most vulnerable to imports. We have only 1,500 footwear jobs left. Madam Chairman, I respond to opponents by asking: What's left to protect, what's left to lose. Doing nothing is seldom a solution, it is clearly not in this case, and yet there are some who continue to ask us to do nothing.

The textile and apparel trade deficit for January through July increased 21.4 percent. This is indicative of a problem that is growing, not one that is near remedy.

Madam Chairman, the Bible says that we will reap that which we sow. This legislation will allow hard-working Americans to compete in a fair, competitive, and worldwide marketplace. I urge my colleagues to sow the seeds that will begin to reap economic recovery in this industry that is vital to West Virginia and America.

The CHAIRMAN. The Chair would like to announce that the gentleman from Georgia [Mr. JENKINS] has 31 minutes remaining, the gentleman from Florida [Mr. GIBBONS] has 27 minutes remaining, the gentleman from Tennessee [Mr. DUNCAN] has 27 minutes remaining, and the gentleman from Illinois [Mr. CRANE] has 29 minutes remaining.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Madam Chairman, on behalf of Arkansas workers, I rise in strong support of passage of H.R. 1154, the Textile and Apparel Trade Act. The importance of this bill is underlined by the fact that 243 Members of this House, well over half, have signed on as consponsors.

I want to thank the committee and its leadership for the diligent and clear thinking work that has gone into bringing this bill to us for consideration.

When this bill becomes law it will not only help Americans working in apparel, footwear and textile factories, it will help their communities by saving jobs and it will help U.S. farmers.

During my service in Congress I have worked for and supported efforts to make sure that companies that keep their plants open in our State and country get a fair shake when it comes to competing for sales against imported goods.

U.S. plants hire Arkansas and American workers. The jobs they provide help families support themselves, improve their lives and take advantage of educational opportunities. And, at least some of them use American farm products such as cotton and wool.

When they get a fair chance, U.S. manufacturing plants using Arkansas and American workers can compete with any companies and workers from any where in the world.

Some changes in our laws have been made. Others are needed. H.R. 1154 provides urgently needed changes.

Arkansans are good workers for three basic reasons that are very important to employers. They want to work. They appreciate having jobs. They take pride in the work they do.

The Federal Government, including the President, has a responsibility to protect American workers, American companies and the American economy from damge caused by unfair competition from imports.

Under our existing trade laws, the President has substantial opportunity to act to support the interests of our workers, businesses, and the industries threatened by import competition.

This includes bringing about voluntary restraint agreements. Instituting countervailing duties against unfairly priced imported goods and services. And, changing economic policies which encourage imports to flood into the United States and threaten jobs of Arkansas and American workers.

I have worked, and continue to work, to persuade Presidents to act on international trade issues in the best interests of U.S. workers. The unvarnished truth is that throughout the 1980's President Reagan and his representatives have put their foreign policy wants ahead of the jobs and needs of American and Arkansas workers.

This callous attitude and the tidal wave of imports it has encouraged has cost hundreds of thousands of Americans jobs. When a President will not use his authority to insure that American workers get a fair chance on a level playing field, the Congress has a responsibility to act.

Passage of this bill will make clear to the American people, the President and foreign suppliers that this Congress does not intend to see U.S. workers put on unemployment lines by unfair competition from imports.

Madam Chairman, during the period of time between 1950 and 1980, Arkansas attempted to balance its agricultural economy with industrial jobs. Between 1981 and 1986 in my district we lost 20 percent of all manufacturing jobs in the textile, apparel and leather footwear manufacturing industries. Eighty percent of the textile jobs are gone during this period. Four hundred fifty jobs are gone in apparel manufacturing and 1,600 footwear jobs. This has happened all across America because of the lack of a trade policy by the United States. Just today I heard an announcement of the Craddock-Terri Co. of Lynchburg, VA, closed its gates, once providing 2,200 jobs for footwear manufacturing to the people of that economy. We cannot continue to amble along endlessly without a trade policy. It is time for us to stand up for the people that we represent and vote for the textile bill that is pending here today.

In addition to benefits for U.S. textile and apparel factory workers, this it also contains critically needed provisions in support of our footwear manufacturing workers. Its provisions will also help strengthen the markets for U.S. farmers.

Imported textiles and textile products contain cotton equal to nearly 40 percent of the annual U.S. cotton production. Eight of every ten bales of cotton used in imported textiles and clothing is grown in foreign fields. The average annual market revenue loss to American cotton producers is more than $1 billion. Depressed U.S. cotton markets have driven farmers to shift to other crops which are already in surplus—adding to price depression for these commodities.

The International Multifiber Arrangement, to which the United States is a party was intended to hold textile and apparel import growth to a reasonable, logical level.

I believe any fair-minded person will agree that when the U.S. market is growing, as it is, at a 1 percent rate annually and the imports are growing, as they are, at an average of 21 percent annually the situation has become unreasonable, illogical, and unfair.

Imports have gobbled up 52 percent of the U.S. clothing market.

The situation is even worse in the U.S. footwear market.

More than 2 years ago, the U.S. International Trade Commission found that footwear imports are seriously damaging the American footwear manufacturing industry. It recommended restrictions on footwear imports. President Reagan has refused to grant this protection to U.S. footwear workers.

Thanks to deliberate, outrageous decision by the current President, foreign footwear makers control 81 percent of the American footwear sales. In 1986, American footwear production fell down to the levels of the Great Depression of the 1930's.

I am proud that the House recognized the gravity the need for this kind of legislation when we passed a similar bill last year. I am honored to be an original cosponsor of today's bill, which is even better than last year's. I urge my colleagues to join me and other cosponsors in voting for passage of H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Madam Chairman, while many sectors of the economy have been crippled by the current world trade practices, I do not believe that any industry has suffered more than the beleaguered textile industry. And while every sector of the country has been adversely affected by the current trade imbalance, I do not believe that any State has suffered more than North Carolina.

Today, we have the means at hand to begin reversing the downward trend for the embattled textile industry. The Textile and Apparel Act of 1987 is needed now.

Autos, steel, video recorders, semiconductor chips, machine tools, timber, copper, and electronics are just a few industries in which the United States is losing its leadership or is being driven out of the marketplace. Our traditional manufacturing and industrial bases are being devastated each day by unfair competition from foreign nations.

Virtually every week, House Members take the floor to discuss the need to reach arms reductions agreements to avoid World War III. Madam Chairman, we are already engaged in World War III, only it is not being fought on the military battlefield; it is being fought on the economic battlefield. In this trade war, we do not measure the tide of battle by the number of individual casualties; instead we use abstract measurements such as the size of the trade deficit.

But no matter how abstract or impersonal the measurement, the individual human casualties are real. American workers are losing their jobs, and their families are losing their income, their standard of living, and eventually even their hope.

Madam Chairman, in the footwear industry, 80 percent of the U.S. market has been lost to imports, and 341 American plants have closed since 1980. More than 1,000 textile and apparel plants have shut down since 1980. And more than 400,000 American textile and apparel workers have lost their jobs.

Figures released during July by the Commerce Department show that the January-May 1987 textile and apparel trade deficit increased to $9.6 billion. This record level was reached despite the administration's self-proclaimed intention of negotiating tighter bilateral trade agreements with foreign suppliers. The increase in textile and apparel imports from 1981 through 1986 represents the export of nearly 700,000 American job opportunities overseas.

Some critics of the legislation we are considering today claim that the American textile industry, and indeed other American industries devastated by the flood of foreign imports, are victims of their own outdated technology and methods. Like most generalizations, there is a small element of truth in this charge. American manufacturers do need to modernize.

But to portray American textile manufacturing as an antiquated industry is to promote a myth. The industry is modernizing, and American textile workers are extremely productive.

But not even the most modern, high technology plant can compete with overseas factories that are subsidized by their governments. And not even the most efficient, productive work force can compete in foreign markets that are virtually closed to imports.

The problem is not just technology or productivity. The problem is fairness. American producers should not be forced to compete under unfair conditions.

A new study by the widely respected ICF Inc., using methods of estimation employed by the Congressional Budget Office and the Office of Management and Budget, found that enactment of the Textile and Apparel Trade Act of 1987 would in its second year save the Federal Government as much as $500 million in reduced unemployment payments and AFDC, food stamp, and Medicaid benefits.

Additionally, ICF estimates that enactment of this legislation would result in an increase in employment of 82,000 jobs in 1987 and 115,200 jobs in 1988. These estimates are based on growth rates for textile and apparel imports ranging from 6 to 17 percent annually in the absence of the Textile and Apparel Trade Act of 1987.

I urge my colleagues to weigh the fiscal benefits of supporting this legislation. In the long run, this bill will strengthen the U.S. economy, lower the trade deficit, reduce the budget deficit, and perhaps more important, keep Americans working. It is clearly in our national interest to have a strong, healthy domestic textile and apparel industry.

We cannot help the economy by continuing a failed policy. But we can help the economy, we can save American jobs, we can create new employment opportunities, and we can ensure the American consumer a continuing supply of high quality domestic textile and apparel products by passing the Textile and Apparel Trade Act of 1987.

American workers can compete effectively. But the rules must be fair. Free trade must be free and fair for every nation or it is free and fair for none. This bill starts the essential process of restoring fair competition in the international textile marketplace.

The Textile and Apparel Trade Act is a reasonable, moderate step in the right direction. It deserves to be passed by a wide margin.

I urge my colleagues to support passage of this bill. The hour is late.

Mr. DUNCAN. Madam Chairman, I am pleased to yield 2 minutes to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. My comments regarding this legislation will be brief but heartfelt.

For nearly 3 years now, we have had the opportunity to examine an ever-expanding library of information about this industry and the problems confronting it. This much can be established from the reports and statistics:

First, the current multifiber arrangement and bilateral accords are not working. Import penetration into our domestic markets currently exceeds 50 percent and is growing annually.

Second, there is a direct cause-and-effect relationship between this import penetration and a loss of American jobs. Since 1980, the industry has lost 350,000 jobs and 700,000 job opportunities. Passage of H.R. 1154 will halt this trend and, according to a recent study, create 152,000 new jobs.

Third, the problems plaguing the industry are not self-inflicted. Foreign exporters, playing under their own set of street-smart trade rules, are using tariffs, quotas, import bans, tax breaks, and other subsidies to take over our markets.

And fourth, a national interest—not a special interest—is being served with passage of this legislation. Who in this body wants to rely and depend upon foreign sources of textiles and apparels to clothe and equip our Armed Forces in time of war? Not I.

Madam Chairman, I would like to conclude by invoking Dwight Eisenhower, who once said that only Americans can hurt America. I hope that each Member, each American in this Chamber today will choose to help an industry so vital to our Nation's prosperity and future.

Mr. RIDGE. Madam Chairman, will the gentleman yield to me?

Mr. COBLE. I yield to the gentleman from Pennsylvania.

Mr. RIDGE. Madam Chairman, I thank the gentleman for yielding. I commend him for his strong statement and I join him in his statement.

Madam Chairman, I rise in support of this important piece of legislation, the Textile and Apparel Trade Act of 1987. With more than 2 million workers, the fiber, textile and apparel industry is the largest in the manufacturing sector—larger than auto and steel combined. Until 1984, the fiber industry was one of the largest employers in my district. My only regret is that this bill comes too late for the hard-working men and women who worked at the Meadville Avtex Fibers plant.

This bill alone may not have saved those jobs and will not resurrect that plant. So, I'm not a cosponsor of this bill because I want to protect a plant in my district. But, I most certainly understand that this bill is in the best in-

terest of American manufacturers and American workers.

The job loss numbers are frightening with an avalanche of 390,000 jobs lost in 7 years. Foreign textile imports have been increasing at a rate of 19 percent since 1981. The U.S. footwear industry's share of the U.S. market has declined from 49 percent in 1981 to 18 percent today.

Still, 2.4 million Americans depend on textiles and apparel for their jobs. Every day, some of these 2.4 million Americans lose their jobs while the Federal Government equivocates. It is truly sad that most of these jobs will not be lost because of worker productivity but, instead, because the United States is the world's preferred trade dumping ground.

The Congressional Office of Technological Assessment's recent report clearly states that developing countries are using export subsidies to promote exports and are paying their textile and apparel workers wages far below those paid to U.S. workers. Interestingly, the European Economic Community [EEC] and Japan have limited the growth of imports from developing nations. Once again, the United States is isolated in its willingness to sacrifice its own interests and jobs to the philosophy of free trade.

Since the President's veto in December 1985, the Ways and Means Committee has worked hard to address the administration's concerns and I congratulate them on this effort. Although the administration still opposes the bill, it should be duly noted that the bill now is consistent with the general agreements on tariffs and trade, provides the administration with flexibility in implementing quotas and with flexibility on the multifiber agreements, and it eliminates rollbacks and discrimination.

Opponents are now focusing on the possibility of increased consumer prices, a very important concern. But, in my view, the level of concern is unwarranted. First, it must be clear that this bill will allow the same level of imports as in 1986 plus 1 percent growth. There will be no rollbacks. Second, the Office of Technology Assessment clearly states that the benefits of cheap foreign labor rarely reaches the consumer and, instead, only the middlemen benefit. Consumers usually pay the same price for equivalent imported and domestic products. Third, we must not ignore that this bill will save U.S. taxpayers an estimated $500 million in unemployment programs by the second year. Best of all, more Americans will not have to be dependent on food stamps, Medicaid, and other programs. Finally, a nationally recognized economic consulting firm has estimated that 152,000 jobs would be created by the second year. More Americans working, contributing and paying taxes.

My colleagues, today's vote presents an opportunity to do something about the decline in our manufacturing base and do something about the survival of America's largest manufacturing employer. In my opinion, providing American workers and businesses with the opportunity to fairly compete is appropriate and desirable. Ignoring a foreign strategy of subsidized exports combined with cheap labor is just the opposite. I urge my colleagues to support this bill.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Madam Chairman, at this time I would like to enter into a colloquy with the chairman of the textile caucus, the Honorable BUTLER DERRICK of South Carolina.

There has been a lot of talk here today about the consumer aspects of this bill, but nobody has focused on the safeguards built into this bill for the consumer, especially low-income consumers. Look at the footwear provisions. These portions keep footwear imports at 1986 levels, when they accounted for over 80 percent of the U.S. market—the highest levels ever recorded in history. In addition, there is a special set aside for the cheapest shoes, those imported at $2.50 or less, so that they should be imported at the same high levels as last year. The bill as I read it, prevents price increases in these products, because it makes no allowance for borrowing volume from this category, and making it available for imports of higher priced shoes. The legislation, therefore, encourages importers to fill up this lower priced category. I believe that these provisions do not hurt our consumers, in fact, they protect our low-income consumers. I think that the bill should be applauded for having such safeguards for our low-income consumers.

I ask the gentleman for his comments.

Mr. DERRICK. Madam Chairman, will the gentleman yield?

Mr. MOAKLEY. I am pleased to yield to the gentleman from South Carolina.

Mr. DERRICK. I thank the gentleman for yielding.

Madam Chairman, the gentleman is absolutely correct. The bill does protect our low-income consumers by ensuring an adequate supply of the cheapest shoes because it doesn't allow the foreign countries to shift into higher priced footwear. We fully expect that the agency administering these quotas will develop a program that ensures that any shortfall in the amount of low-priced footwear imports is not made up by bringing in additional higher priced footwear.

Mr. MOAKLEY. I thank the gentleman for that clarification.

Madam Chairman, I have a special interest in this bill as chairman of the House footwear caucus, which numbers 105 members. The footwear industry in this country is losing ground fast. To survive, it must have this bill enacted. No major manufacturing industry in this country has been so hurt by imports as has the nonrubber footwear industry. Since 1981, over 300 U.S. footwear plants have closed their doors, and some 51,000 jobs have been lost.

The industry needs a legislative solution to its problems because its attempts to seek remedy under existing trade statutes have been repeatedly denied. The Reagan administration has twice refused to grant this industry import relief under the escape clause. The industry's section 301 case, documenting numerous unfair trade practices against other countries, was the subject of benign neglect by this same administration. Former administrations do not have much better track records in this regard. This industry's import problems have been ignored, papered over, and callously disregarded for too, too long. It now has only one avenue open if it is to survive, and that is the enactment of this bill.

This industry can be competitive if given a chance and the opportunity presented in this bill. There is a lot of technology available to footwear manufacturers; much of it developed in the last few years. However, the tremendous import surges of the last 5 years are depriving U.S. companies of the financial resources to invest in new technology. These import surges also have robbed the industry of its confidence that these investments will pay off in increased production levels.

The industry deserves a chance to survive. Its workers deserve a place to work. We have only one way to ensure that this happens, and that is the passage of this bill today. I urge my colleagues to support passage of this bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Madam Chairman, it is time we came to our senses. Wishful thinking and dated views have clouded our understanding of the realities of textile and apparel trade.

Despite stated efforts by the administration, the textile, apparel and footwear industries are being battered by cheap labor imports. More than $15 billion has been spent in making our textile workers the most efficient and productive anywhere in the world. But they cannot compete against foreign governments that subsidize their industries, pay workers as little as 16 cents per hour and impose severe restrictions on imports from the United States and other countries.

The American textile and apparel industry is fighting for its life. If the current trend persists, the annual textile and apparel trade deficit will exceed $23 billion. From 1980 to 1986, there has been a 20-percent growth in textile imports. With the domestic market growing at a rate of just under 1 percent during the last decade, it is easy to understand how, since 1980, the industry has lost more than 1,500 factories, 40,000 jobs, and 750,000 job opportunities to foreign nations. These foreign markets are literally stealing the shirts off our backs. Without our action, the textile industry will face only increased import pene-

tration and disruption. That is why I urge my colleagues join me in strong support of H.R. 1154, the Textile and Apparel Trade Act.

This bill will help to sustain America's producers of textile, apparel, fiber, and footwear and their nearly 2 million workers by controlling the relentless growth of foreign imports. It will provide them with the market certainty needed to invest the substantial financing needed to continue their modernization efforts.

In South Carolina, we are seeing entire towns shut down in the face of the textile deficit leaving families jobless and hopeless. Yet, last year we handed over $612 million to Iran to pay for textiles, carpets, pistachio nuts, caviar, and crude oil. The pace continues full tilt this year, with Iranian textile imports soaring. What does this say about our administration's commitment to opportunity, to hope, to a future for America's workers?

If there is one word that encompasses all that America stands for, it is opportunity. But for American textile and apparel workers, it is a word that rings hollow these days. American workers want and deserve the opportunity to compete with foreign workers on an even footing—nothing more, nothing less.

I urge my colleagues to join me in strong support of H.R. 1154.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Madam Chairman, these debates on trade issues unfortunately usually come down to debates between those who will win under the terms of the legislation and those who will lose. That is unfortunate but at least we ought to get the record straight and correct. There are losers under this bill.

Contrary to what we have heard previously in this well, the biggest loser will probably be American agriculture.

This bill invites retaliation specifically from the Pacific rim. The Pacific rim is one of our major agricultural importing regions. Forty percent of all the food the Japanese people eat comes from the United States. They are our No. 1 soybean customer in the whole world and they have the greatest potential in terms of beef and citrus imports. The rest of the Pacific rim is almost as important and it is in some ways more so because of greater growth potential. Korea is our seventh largest agricultural customer.

Furthermore, to argue they will not retaliate flies in the face, first, of their own statements directly to the contrary and, second, of experience.

A couple of years ago this administration did impose restrictions on textile imports from the People's Republic of China. Within the month the People's Republic of China reacted by canceling their entire corn and wheat purchases for that year. The People's Republic of China is not a large importer of American agricultural commodities. So its impact on our agricultural economy was not substantial.

If the Japanese or the Koreans or the rest of the Pacific rim countries were to take similar actions it would be devastating to an agricultural economy that is terribly fragile right now today.

Madam Chairman, nobody wishes ill for the American textile industry, but the evidence is that that is an industry which after some very difficult years is beginning to get back on its feet. We certainly all hope so. And if there are constructive things we can do here today to help them we would like to do that.

But American agriculture has been through, if anything, even more difficult times in the last few years. This year after 6 years of decline we are seeing a turnaround in the volume of American agricultural exports. Let us not cut that short before it even has a chance to get started. There are victims intended if this bill passes and the No. 1 victim will be the American farmer. Let us defeat this bill.

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. MCMILLAN].

Mr. MCMILLAN of North Carolina. Madam Chairman fair and free trade is a good goal in world trade. But it's not a reality in textiles, as in most other segments of world trade. Textile markets are tough and competitive with heavy government involvement by our trading partners. World textile trade has long operated under a negotiated global system. The multifiber agreements are testimony to that fact even though not every nation has participated.

Under those existing but inadequate agreements, the United States has tolerated import penetration of its domestic textile and apparel markets up to 53.8 percent by 1986. Textile-apparel imports have grown at an average rate of 17 percent per year over 7 years while the domestic market grew at only 1 percent and has resulted in the closing of 1,000 textile and apparel plants with a loss of 350,000 jobs.

That unacceptable situation has not been corrected by the new multifiber agreements nor by the decline in the value of the dollar.

The textile trade deficit increased 21 percent in the first 6 months of 1987.

Some argue that earnings have improved. Since 1980 earnings in textiles have always been cyclical—ranging from a low of $851 million in 1982 to a high of $1.7 billion in 1986 but averaging $1.3 billion over the 7 years. Returns at even the highest levels are not adequate to support the heavy reinvestment required to remain competitive. The average return on investment for the eight leading publicly held companies was only 9 percent in 1986 the best year in the last 7 and half that in the lowest year. Much of this improvement has resulted from a shake-out in the domestic industry.

If the strategically important textile apparel industry and its 2.4 million jobs is going to survive in this country the Textile and Apparel Trade Act of 1987 is a necessary guideline to make multifiber agreements effective.

I urge my colleagues to support this bill.

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Mr. GIBBONS. Madam Chairman, I yield myself 1 minute and 30 seconds only for the purpose of putting in the RECORD the figures supplied by this administration's Department of Commerce, with reference to the figures that are collected and published by the Office of Textiles and Apparel in the U.S. Department of Commerce, based on census figures. If anybody's figures are right, I would say that these are more nearly right than anyone else's.

Of all textile finished goods—the total textile market—the import share for 1986 was less than 24 percent. Now, that is the whole market; that includes everything—garments, textile products and everything else. The import share of the domestic market: 24 percent, not 52 percent.

The import share of the apparel market only, according to the Commerce Department figures, was 33.1 percent last year, not 52 percent. That is the highest figure we are going to find—33.1 percent.

The nonapparel segment of the market for textile finished goods, 1986 figures, had import market share at 13.1 percent; not 52 percent as we just heard.

If you weigh these goods, whether you count them by dollars or by square yard equivalents, none of the figures reach some of the ridiculous figures we have heard today. I hope that my colleagues, however they decide to vote on this legislation, will at least keep the figures straight in accordance with the published figures of our own Government.

Mr. JENKINS. Madam Chairman, I yield 2 minutes and 30 seconds to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Madam Chairman, I thank the gentleman for yielding me this time.

A number of our colleagues have expressed a very important concern about doing what is right in this bill for rural America, for our friends in agriculture. Many have correctly noted that agricultural America is about at the bottom now and really cannot afford another severe economic blow.

I agree with that. So out in my district in western Montana, I have stopped by the grain elevators and sat down in the coffee shops and discussed it. I have tried to talk with our wheat and feed grain people, our wool growers, and our cattlemen, and I find that indeed they are divided about this bill. But they all tell me this: they say, "Pat, it's a big country. Everybody has got to try to benefit, and we all do a little better if someone else is doing a little better." One guy put it to me this way: "Pat," he said, "you know, I have come to find out in the last 6 or 8 years that there is no such thing as, 'Friend, your end of the boat is sinking.' So," he said, "as this textile bill comes up, try to get it in a way that doesn't hurt us. We don't want to be hurt. We can't stand that, but if it can help others in America, that would be good."

Just this week I got a letter from the Montana Wool Growers. Let me read the last paragraph of it to you:

In closing it is proper to note that President Reagan in 1980 made a pledge to the U.S. Textile industry that, if elected, he would take action to relate import growth to the growth of the domestic market. Two years after taking office he reiterated that pledge. But sometime between then and now he has changed his mind and has sat idle while imports have more than doubled the domestic market. In 1980, the U.S. competed with 16 countries importing quantities of wool, but today, in 1987, we compete with 40 and no control. That unfair competition has closed mills, lost U.S. jobs and lost market outlets for the buyers of the Montana wool clip. Congress can stop that trend by passing and probably having to override the President's veto of the Textile legislation.

Sincerely,

BOB GILBERT,
Secretary-Treasurer,
Montana Woolgrowers.

Madam Chairman, the woolgrowers are just one part, but one important part of rural America. They are one very important part of the agricultural community. They do want to pull together. No, they do not want to be hurt, but they know that there is no such thing as saying, "Hey, farmers," or "Hey, textile workers, your end of the boat is sinking."

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Madam Chairman, we are hearing a lot lately about the health and the well-being of the textile industry. Many people have forgotten about the apparel industry, which is certainly not healthy and certainly not in a condition of well-being. I would invite them to my district, the Lehigh Valley in Pennsylvania, to see the hundreds of shops and plants that have closed down over the years and the 10,000 to 15,000 jobs we have lost over the last 10 years or so.

In my district, the apparel industry is hurting. If the textile industry is to prosper, we had better have an apparel industry in this country. The figures the gentleman from Florida [Mr. GIBBONS] has presented to us, referring to the 33.1-percent penetration, is less than the 52 percent, but it is enormous, and if we do not have apparel manufacturing in this country, we will not have textile manufacturing. To a very large degree the health and well-being of the textile industry is dependent on the health and well-being of the apparel industry.

Many of the manufacturing industries are going through transitions in this country. Textiles is one of them, apparel is another, and we need time to make the accommodation. We need the manufacturing base to apply a lot of the high technology. We are getting programs in computers, in robotics, and in integrated manufacturing. This technology is coming into apparel manufacturing much as they have already entered into textile manufacturing, but it takes time. If we are overwhelmed with a flood of imports coming in from all over the world, we will not have this time. And then where will the computer industry be? Where will the software industry be, and where will all these high technology industries be if we lose the manufacturing base?

We need that manufacturing base. In the Lehigh Valley, R&D programs to develop new technologies in robotic sewing are right on the horizon, and have the potential to substantially increase sewing productivity. There is also the potential, through "quick response" information technology, to unite the textile and apparel network, resulting in a more efficient system.

The industry currently invests an average of $1.5 billion per year in new plants and equipment. New technology and innovation are being introduced. For example in Lehigh Valley the Ben Franklin Partnership Program and Lehigh University are assisting the American apparel industry to improve productivity via the application of advanced technology. They are currently working on several areas. First they are working on applying technology with the help of a startup company—On-Line Data Systems, Inc.—to develop computer software packages for the apparel and will be the software supplier recommended by IBM for use with its mainframe computers.

Second, the Ben Franklin Center is developing a technology demonstration site for the apparel industry to transfer new technology to the private sector. The center and the university have led an initiative in response to a request from the Department of Defense to create a demonstration site where representatives from all aspects of the apparel manufacturing industry can observe state-of-the-art technology and manufacturing methods at work.

Finally, the center is working to improve manufacturing processes through the Ben Franklin Challenge Grant Program. The project, entitled "Computer Aided Manufacturing and Commercial Sewing/Stitching," received a $62,000 Ben Franklin grant to develop a system within their plant to computer control all the sewing machines by programming each operation of each machine so that the number of stitches is controlled by the program, thus improving efficiency and simultaneously monitoring the work flow.

But if there is no apparel industry left—there is no market for the infusion of this high technology. Clearly these are the types of technological advances which could make us more competitive in our own domestic market and in the world apparel if we are given the opportunity to sell these products overseas. With this in mind, I urge my colleagues to support this legislation. The textile and apparel industries have exhibited the potential to compete in global markets with the aid of a fair trade environment vital to the textile and apparel industries in America.

Mr. JENKINS Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE of North Carolina. Madam Chairman, I rise to express my strong support for the passage of H.R. 1154. The people of North Carolina and the people of the Fourth District, which I represent, understand the urgency of this legislation. In my State, 304 textile and apparel plants either had to close or lay off significant numbers of their employees between 1981 and March of 1987. During this period, 31,500 people in the textile industry and 11,500 people in the apparel industry lost their jobs to layoffs or plant closings, for a total of almost 43,000 North Carolinians—displaced largely by a flood of foreign imports. In North Carolian's Fourth District, from 1981 through January 1987, 13 plants closed or had to lay off employees and almost 2,500 people lost their jobs.

Imports of textile and apparel products have doubled since 1980, increasing nearly 20 percent annually, and now account for more than half of the domesitc market. This translates into 350,000 actual jobs lost to foreign competitors who often pay as little as 20 cents an hour to their workers, and 700,000 lost job opportunities.

The omnibus trade bill is not sufficient to maintain these essential manufacturing jobs; the Textile and Apparel Trade Act of 1987 is a necessary complement to the omnibus bill. The bill would establish a total, global quota for foreign textile, apparel and footwear products based on the record-setting 1986 levels. Based on the 1986 market share, there would be

no mandatory rollback of any country's share, and the administration would be given maximum flexibility in implementation. Imports would be allowed to increase at 1 percent a year, consistent with the growth of the domestic market. Compensation for countries affected would be allowed through reduced tariff levels. The bill is also consistent with the General Agreement on Tariffs and Trade [GATT] principles and with this country's existing international agreements.

H.R. 1154 represents significant concessions by the textile and apparel industry and its workers relative to last year's bill. The stable trade environment it would create is essential if we are to keep American jobs at home and are to continue the modernization of this industry, which reinvests 80 percent of its retained cash flow.

As the Office of Technology Assessment [OTA] concluded in a recent study, the American textile industry "is one of the most productive in the world * * * [but] technology alone may not be able to salvage major parts of the industry." It is critical to moderate the flow of imports in the near term while the industry continues its revolutionary technical improvements. This is exactly what H.R. 1154 provides.

Madam Chairman, these are only a few of the arguments that can be made in support of this bill and I encourage my colleagues to listen carefully to this debate today. This measure is a necessity to save an essential American industry. It takes a moderate and balanced approach. It is time to get past the rhetorical abstractions of "free trade" and "protectionism" and to deal with the realities of the situation we face. Those 350,000 lost jobs are not an abstraction, and H.R. 1154 is a fair and reasonable response.

Mr. FRENZEL. Madam Chairman, I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. Madam Chairman, when this bill came before the House Ways and Means Committee, we allowed it to emerge without a recorded vote, amendment or recommendation.

I did not oppose this bill in committee out of deference to those who worked so hard to argue their case on the floor. Now that the bill is here let's look at the merits.

A number of major farm groups believe this legislation is like the pitch of a boomerrang which will return and strike at the heart of an infant recovery in ag exports.

Why do they have these fears? Because of past experience. In 1983, when textile negotiations broke down with China, we unilaterally restricted $50 million of Chinese textiles. China canceled a grain agreement. We lost $500 million in wheat sales. Who do you think won this battle?

It's not just past experience, it's also the commonsense notion that we can't expect foreign nations to purchase our major exports like farm products, if we unfairly and unilaterally cut back on their major exports.

The textile and apparel industry operated at 95 percent capacity in the first quarter of 1987. In fact, domestic textile production has increased 10 percent in 1986. Agriculture will idle 70 million out of 300 planted acres this year. This tremendous undercapacity has taken its toll not just on farmers, but rural businesses across the board.

Does it make sense to give more protection to an industry running at nearly full capacity and pay for it out of sales from an industry like agriculture whose exports are barely limping along?

There are a lot of people afraid about losing their jobs in this industry, and I couldn't be more sensitive to these concerns. Nobody wants more jobs lost. But from January to July of this year, employment in this industry went up by 25,000.

In my own State of Nebraska, employment has held steady since the early seventies. There are about 2,000 Nebraskans employed in this sector during 1987. That is above the 1,900 jobs the industry provided in 1970. While the levels have fluctuated during the period, there hasn't been the wholesale decline in employment and capacity that agriculture has seen.

It isn't as if the industry doesn't have protection: it has over 1,500 quotas covering 80 percent of all low-priced imports and at 18 percent, a tariff rate far above the 3 percent for all other industries.

Ambassador Yeutter's opinion is that this bill violates the GATT and the multi-fiber agreement. We are trying to get agriculture on a fast track in the new GATT round—that is, completed first—to avoid a brewing ag trade subsidy war.

Does anybody think that foreign nations will cooperate in trade liberalization efforts under a new GATT round if we are violating the existing one?

I urge rejection of the bill.

Madam Chairman, I include with my remarks the following letter from the National Association of Wheat Growers:

NATIONAL ASSOCIATION OF WHEAT GROWERS,
Washington, DC, July 16, 1987.

DEAR CONGRESSMAN: You will soon be voting on legislation that, if enacted, will be detrimental to a large segment of U.S. agriculture. That legislation, which we strongly oppose, is the Textile and Apparel Trade Act of 1987 (H.R. 1154).

Congressional and other national trade leaders should recognize that this bill is not an export-oriented piece of legislation. Nor is there any assertion that the imports it would restrict are being unfairly traded. Furthermore, contrary to statements made by several supporters of this bill, it would not help us sell farm products abroad; instead, it would seriously undercut our ability to carry on tough and market-expanding multilateral trade negotiations in the Uruguay Round, reduce the ability of many developing countries to buy our products and bring prompt retaliation against U.S. farm exports by many of our trading partners.

The trade-restrictive thrust of H.R. 1154 would result in retaliatory and counter-retaliatory actions which would seriously disrupt the world trading system and threaten to trigger a world economic crisis. U.S. trading policy should be directed toward greater export and trade growth. It would be counter-productive for the United States to go beyond the import-restrictive Multi-Fiber Agreement (MFA) of 1986, as these bills propose, greatly increasing the risk of bringing on a world-wide recession. Instead, the United States should continue to regulate textile and apparel trade through the internationally accepted multilateral and bilateral processes now being used.

When H.R. 1154 is brought up for consideration, we encourage you to vote against this unduly trade-restrictive proposal, which would damage U.S. farmers, other exporters, consumers and our long-term national interest.

Sincerely,
American Soybean Association,
National Association of Wheat Growers,
National Soybean Processors Association,
Millers National Federation National Grange.

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Mr. FRENZEL. Madam Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Madam Chairman, I thank the gentleman for yielding me this time.

Here we go again, or, as like Yogi Berra said, "This is like deja vu all over again."

We are talking about the same bill, old wine and new bottles, that we had the last session. Many of the Members from the industrial Midwest are a little put out that those who represent States with unemployment levels at least half of what we have in Ohio, Michigan, Pennsylvania, Indiana and others would come to the floor again with this same proposal that would invite retaliation against our agricultural districts, would invite retaliation against some of the other areas of our economy. For what reason, I frankly do not understand.

We had a letter recently delivered to all of our offices, and I would like to quote a couple of things from that letter sent jointly by Clayton Yeutter, the U.S. Trade Representative, the Secretary of State, George Shultz, and the Acting Secretary of Commerce, Bruce Smart.

They say the following:

The European Community has already indicated that it will take countermeasures if this legislation is passed, and others are likely to follow. Some of our most sensitive and competitive export industries, such as agriculture and high technology, would be

likely targets for retaliation. This is not an idle threat; it will happen. The compensation provisions of this bill (a ten percent duty reduction from, say, 18 percent to 16.2 percent over a five-year period) are grossly inadequate to remedy the damage or avoid retaliation by our trading partners.

In sum, this bill is nothing more than pure protectionism for a couple of special-interest groups with seemingly insatiable appetites for limiting competition from abroad.

If a Member represents any agriculture whatsoever, or if that Member represents any of the other groups that could potentially be victims of this retaliation, then there is no choice, it seems to me, but to reject this legislation.

Some people say this bill is another exercise in futility. It is a freebie, and you can vote for it, because we know the President is going to veto it and perhaps there will be no attempt to override.

We do not have to have long memories to remember the last time this came up and the efforts were almost successful.

It was six or eight votes that spelled the difference. We have a chance now to kill this monster in the cradle where it belongs, and not have it pass on to the other body.

I ask the Members to take a close look at this protectionist legislation, defeat it once and for all.

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in reluctant but deeply felt opposition to this legislation.

To me this bill really is a battle between the heart and the mind. The heart says vote for it.

In my district we have apparel workers. We have textile workers. They have come to see me. They are working people. They are good people.

They are people set adrift by powerful economic forces that they do not comprehend, but they know that their jobs are on the line, and one looks into their eyes and feels a great deal of sympathy, sympathy that I know the Members have, sympathy that says vote for this legislation; but my mind says do not vote for this legislation.

Do not vote for it, because this is a different America we are in. We are in the throes of great economic change.

This is a new world of competition. We can no longer ignore the rest of the world.

What happens in far parts of this Earth, in Brazil, in Japan or Germany affects us very deply, and to build up walls is simply an admission that we cannot compete.

Now, some maintain the illusion that the walls will only be one-way walls, that perhaps we can keep goods out, but we can continue to export. That is not going to happen.

Common sense tells us it is not going to happen, and history tells us that it is not going to happen.

You cannot build a one-way wall, and so we have a choice. Is America going to become a self-contained unit?

If we do that, our standard of living will plummet. Or is America going to rise to the new challenge of international competition and say we can compete, we can win?

Can we win on every item we produce? No. That is not how it is going to be, no matter what we do; but if we buckle down, if we meet the new challenges of the world, we can win.

To pass this bill is an admission of defeat. It is saying America cannot be the leading economic power in the world, because smaller countries that have far fewer resources than we do can beat us.

I do not think we should admit defeat. We must do everything we can for displaced workers, everything we can with the exception of building those walls that will not hurt their colleagues in other industries, but will ultimately hurt them and their families, though they do not see that today.

In this new sea-changed world, if we reduce the alluring temptation to build those walls, and if we force ourselves to keep to the grindstone and compete, I am convinced that America will remain the leading economic power in the world.

The choice is ours, the choice of difficulty and struggling but of prevailing, or the choice of turning our back on that struggle, running away and admitting defeat.

I urge the Members to vote against this bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentlewoman from South Carolina [Mrs. PATTERSON].

Mrs. PATTERSON. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, during this week of bicentennial celebrations, it is important to remember that in just a few years, the American textile industry will celebrate its bicentennial. This industry has been producing products that were crafted with pride in the U.S.A. since George Washington was President.

Yet, there are those who argue that it is not in the best interests of the United States to insure that our textile industry can compete fairly with other nations. I don't agree!

I don't agree that it was in the best interests of the United States to lose 400,000 American jobs since 1980, over 33,000 of those in my State of South Carolina.

I don't agree that it was in the best interests of the United States to have 1,000 textile and apparel plants close their doors in the past 7 years, 88 of them in South Carolina.

I don't agree that it is in the best interests of the United States to have a textile and apparel trade deficit this year that is 21 percent greater than last year's.

I don't agree that it is in our best interest for the administration to fail to aggressively enforce existing agreements.

And I certainly don't agree that it is in the best interests of the United States to be importing textile goods from Iran at the same time that nation is threatening American sailors in the Persian Gulf.

Madam Chairman, American textile producers are as good as any in the world. Through innovation, hard work and a commitment to quality, they produce exceptional products at a reasonable price. All they ask in return is that their own Government give them a chance to compete fairly against foreign competitors with heavy government subsidies and closed markets. I urge my colleagues to give them that chance by passing H.R. 1154.

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Madam Chairman, I thank the gentleman for yielding me this time.

Most of my life I have been a businessman. I know the importance of trade. I know the importance of open trade, and I realize the importance of the economy base of this country.

I am well aware that this country could produce a knee-jerk reaction to try to solve the trade gap in the wrong way.

□ 1605

Furthermore, I have felt for many years that the concept of the level playing field was right, meaning, of course, that Americans can compete with anyone anywhere in the world, given a reasonable break and given the same rules.

At the same time, there are variations on that theme, the most important being time; but the buck changes and currency values change, country practices for a variety of economic actions, one industry in one country might need something special to give it a boost, to give it, if you will, time.

To use the umbrella ideology of free trade or protectionism in cases like this, of course, to me is wrong.

So it is with the textile industry. The textile bill is not perfect. I wish the conditions that prompt it did not exist, but they do, and this is not a perfect world, but put side by side with the alternatives, I am going to support this bill.

We can philosophize about trade. We should not shackle it. We need

trade for others to be able to pay their debts. We do not want to go back to the old days of the Smoot-Hawley debacle and certainly there are temporary economic surges in sales and employment, if not in our profits in the textile industry, along with shouts of greed; but they are temporary and intellectual arguments.

The real world says that the industry is slowly slipping away. The problem is very simple. There are three parts. There is the fiber, the textile, and the apparel. The fiber and the textile are highly technical and lead any other industry similar to it in any part of the world. The apparel industry is not that way. It is very labor intensive.

So in theory you could say let the apparel industry go. The problem is that you and I are not members of the apparel industry, and also, who are going to be our customers?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DUNCAN. Madam Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. HOUGHTON. Madam Chairman, the very people who flood our markets with apparel from abroad in many cases will not permit the imports of our fiber and our textiles; so the textile industry, two-thirds of which is more advanced than any in the world, says, "Help us for a period of time. Don't cut back imports. Let them grow, but give us a chance to adapt."

So I say, why not? Why are we afraid to watch out for our own interests as other people watch out for their interests? As a citizen, as a Member of this body and as a former businessman, I ask, why is this wrong?

Mr. FRENZEL. Madam Chairman, I yield 1 minute to the distinguished gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Madam Chairman, I rise in strong opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987.

Since last session's debate on the textile bill, I was surprised to learn that the 11 textile makers in the Fortune 500 offered their shareholders a 36 percent total return on investment in 1986. For the same period, apparel manufacturers returned their shareholders 21 percent. July employment in the textile industry is up by 30,000 jobs over the last year, while apparel employment is up by 24,000 jobs. At the same time, average weekly earnings in textiles are up a whopping 8.6 percent over last year's, compared with a national average earnings gain of 2.7 percent. These figures prove that the textile and apparel industry is already among the most protected and profitable of all American industries.

I am concerned, Madam Chairman, that this bill puts at risk recent gains and further expected growth in export earnings for the American farmer. Today, our farm exports are beginning to rebound from 5 consecutive years of decline. The forecast for 1987 is for an increase in export volume of 16 percent from 1986. This is still below past export levels. However, we cannot hope to regain export markets by expanding our trade barriers—which this bill does.

Our farmers have gone through the adjustments necessary to make themselves competitive again in world markets. It makes no sense for us now to throw up a trade barrier inviting retaliation against U.S. agricultural exports, especially when it is one sector of our economy that is contributing positively to the Nation's trade balance.

If you don't believe these countries will retaliate against our agricultural exports, just recall when we restricted $37 million in textile imports from China. That country canceled $500 million in U.S. wheat purchases.

The textile and apparel bill previously considered by the House in the 99th Congress affected countries representing 40 percent of our overseas agricultural markets. Now, the 40 or so countries that would be affected by the textile quotas of this bill represent over 70 percent of U.S. agricultural exports. Obviously, with this kind of exposure, American agriculture will make a very attractive and likely target from these countries for retaliation.

Some have said this legislation is more reasonable than the bill passed by the last Congress. They claim it provides for import growth, treats all suppliers equally, and has a compensation provision. This is simply not the case. This bill, like its predecessor, violates our international obligations by arbitrarily restricting imports; our trading partners do not consider this bill reasonable and they will likely retaliate.

In addition, I am concerned that the passage of this bill would open the door to other industries to seek import relief through Congress rather than through the normal injury investigation procedure. Most of such efforts would come from the manufacturing sector at the expense of agricultural exports.

In my home State of Nebraska, one out of every three farm acres is dedicated to production for export. Thus, it is hard to overemphasize the importance of overseas trade to farm and ranch income.

Moreover, economists estimate each 1 billion dollars' worth of farm exports creates agricultural jobs for as many as 35,000 workers.

An additional 60,000 nonfarm jobs are created with each $1 billion in farm export sales, proving that the entire economy has a stake in agricultural trade.

What worries me is that we might become the victims of U.S. trade policies that are actually directed at other nations. Should agriculture be asked to bear economic hardship so that textiles can reap more benefits? Let us find a way to build markets for those commodities, and other U.S. exports, before we throw barbed wire up on our shores.

I strongly urge my colleagues to defeat this measure.

Mr. GIBBONS. Madam Chairman, I yield myself such time as I may use.

The question has arisen about who is opposed to this bill and what kind of economic retaliation do we face if this bill becomes law?

I have received personal statements from the Government of India, the Government of China, and we have received written communications from Bromidi, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Now, people will ask, well, who is Thailand? Thailand is a huge market. We are celebrating our 200th anniversary today and the Thais were the first Asian nation to recognize the United States. They have stood by us in every war, including the one that is now going on. They are a poor nation, but they are our friends.

In addition, to that, we have received written threats to retaliate from Antigua and Barbadoes, from the Commonwealth of the Bahamas, from Bermuda, from Belize, from Costa Rica, from the Dominican Republic, from San Salvador, and from Grenada. You remember Grenada. We just liberated Grenada from the Cubans or the Russians or somebody.

We have heard from Guatemala, from Haiti, from Honduras, from Jamaica, from Panama, from Saint Kitts and Saint Lucia, from Trinidad, from our finest trading partner, Canada, our biggest trading partner; the European Community, our third largest trading partner, from our ally, the Republic of Turkey, from all of the Nordic countries, including Finland, Norway, and Sweden.

The only people we have not heard from are the Japanese and they are probably sitting back laughing, because they are going to pick up all the markets we lose.

We have not heard from the Russians, because they realize we are shooting ourselves in the head, not the foot.

Mr. FRENZEL. Madam Chairman, I yield such time as he may consume to the distinguished gentleman from Ohio [Mr. GRADISON], a member of the committee.

Mr. GRADISON. Madam Chairman, I rise in opposition to H.R. 1154, the domestic textile and apparel industry's

latest effort to protect itself at the expense of the American consumer. Apparently not content with taxing American consumers at the rate of $27 billion a year, the industry wants an additional $25 to $27 billion over the next 5 years. According to the Chairman of the Council of Economic Advisers, the bill will increase the cost of living of every family in the country by $280 to $420 over the next 5 years. Surely the time has come to say, "Enough is enough."

Let's look at how this bill hurts our constituents. First, as a result of the restrictions that will be imposed, many products simply will no longer be available. Domestic manufacturers either cannot or will not be able to fill this void. I understand that the availability of lower priced children's wear and budget department items in particular will be substantially reduced.

Second, as foreign manufacturers change their product mix to adjust to the new quota limits, they will increasingly concentrate on producing higher priced items. As a result, many lower priced items will not be available and those that will be available will cost much more. That will hit our poorest constituents hardest.

Finally, reduced supply and higher prices will generate inflationary pressures. In the past year alone, import prices have increased substantially as the market has felt the full force of recently imposed quotas. Enactment of H.R. 1154 will only compound the problem.

I've heard it said that consumers won't suffer. Allegedly, it's the retail community that profits at the expense of consumers by buying foreign goods. Nothing could be further from the truth. Retailing is one of the most fiercely competitive industries we have in the United States. Price is dictated by consumers. No retailer can afford to try and make an extra buck in the way proponents of this legislation assert. Indeed, a study prepared for the domestic industry in 1984 showed that there is little difference in the actual profit earned on domestic and imported women's sweaters. In fact, retailers often found domestic sweaters more profitable to sell.

We as a nation cannot afford to provide further relief to what is already one of our most protected industries. Consumers already pay enough and shouldn't be forced to stretch their budgets further merely to accommodate the appetite of the domestic textile and apparel industry. For the sake of consumers, our constituents, vote "no."

Mr. FRENZEL. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the 1987 textile/apparel protection bill, while different from last year's vetoed version in that it does not contain rollbacks, is just as harmful to the United States and just as likely to provoke retaliation by our trading partners.

The bill seeks further protection for the most heavily protected industry we have at a time when the industry is racking up record profits—an increase of 46 percent in 1986 for textiles. Capacity utilization in the industry is far higher than all manufacturing industries, 92 percent for textiles and 90 percent for apparel in 1987.

Even though unemployment in the textile industry has decreased from 9.9 percent in 1985 to 4.9 percent the first half of 1987, and a corresponding 1 percent unemployment decline for the apparel industry, the industry only knows one battle cry, "more protection". Unemployment in the textile states is lower than the national average. Employment increased by over 30,000 in the textile industry during the last year. In July alone, apparel employment increased by 20,000 jobs.

The Institute for International Economics predicts that even with lower tariffs and a phase out of quotas, the annual employment reduction rate would be 2 percent for textiles, and 2.5 percent for apparel, which equals the retirement rate in the industry. This does not appear to be a dying industry to me. It is easy to see why industries in states suffering far greater unemployment have sought similar protection or have opposed this bill.

While it is regrettable that so many textile/apparel workers have lost their jobs, it was inevitable that the industry had to be restructured to become competitive. All U.S. industries have had to face this fact, particularly after the 1982 recession, and the high value of the dollar in the mid-1980's.

In a global economy, no U.S. industry can insulate itself from competition from abroad. Most job losses in the industry were due to plant modernization, productivity improvements, and the strength of the dollar rather than imports. In my judgment, we should work with the States to develop higher paying jobs for unemployed textile workers, such as those established in the North Carolina Research Triangle. In fact, the latter is working so well that one chief executive officer of a textile company in North Carolina complains that there are not enough people to fill jobs created by a new textile plant.

The U.S. industry has done quite well finding market niches for itself. However, it has also forced many U.S. customers offshore by inability or refusal to manufacture certain items, or by constantly ignoring shipping deadlines. While exports have increased in 1986-13 percent for textiles and 22 percent for apparel, exports would have been greater in the cotton yarn industry, but that industry is too busy supplying the domestic market.

When reviewing the footwear industry which is also covered in this bill, there is even less reason for protection under this bill. A high voluntary labor turnover of 30 percent has permitted adjustment without forced layoffs. The industry is profitable on high priced footwear where it can compete. Quotas could force more higher priced footwear imports which would displace U.S. production.

Cost to consumers is one of the major reasons for opposing this legislation. CEA estimates $25 to 37 billion consumer cost over 5 years for textiles/apparel. Institute for International Economics estimates $7.1 billion consumer cost for each of the first 10 years of the bill.

International Business and Economics Research Corp. estimates a $10 billion annual cost and loss of over 52,000 retail jobs, a net job loss of 5000. Consumer cost per job would be $223,000 for jobs paying less than $15,000 per year. For footwear, a $52,000 cost per job. This consumer cost is on top of the current $20 billion per year for textile/apparel protection.

H.R. 1154 violates the MFA, our bilateral agreements, and the GATT. It would install global quotas without a finding of market disruption by product, it would not permit the consultation and negotiation required under the MFA, and it does not provide favorable treatment to developing countries. It violates GATT article XIX (safeguards), by ignoring the requirements that serious injury must be found on a particular item, that relief should be temporary and that adequate compensation must be granted. The bill arbitrarily assigns an unsubstantiated finding of injury on all textile/apparel imports, it does not have an expiration date and it does not grant adequate compensation. It would also violate our Uruguay round standstill agreement, and would probably end those negotiations.

Let's give the 1986 extension of the MFA a chance to work. Nearly all fibers are now included. Bilaterals for our major suppliers have an average growth rate of 1 percent, and in actual rollback for Taiwan. New calls and quotas are being made constantly on categories that threaten market disruption. There are over 1,500 quotas now; 200 were issued in 1986.

The system works, if we give it a chance.

The textile/apparel industry has been protected since 1961 in what was to be temporary protection. Successor agreements have continued until today's MFA. There is enough criticism of our textile/apparel restrictions globally now. This bill would definitely result in retaliation by our trading partners, some of which has already been announced.

The textile/apparel industry is thriving. It receives far more protection than other industries, including the highest tariffs we have. To further compensate this industry is a slap in the face to other industries far more deserving. I urge my colleagues to oppose this bill.

Mr. DUNCAN. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the Philippines were referred to by one of my colleagues awhile ago, I am not sure which one, but according to the information that I have from the State Department, the Philippines has a 50-percent average tariff on apparel and a 40-percent average tariff on fabrics.

Korea has a 35-percent average tariff on apparel and a 22-percent average tariff on fabrics.

Peru, they do not allow any imports to come in.

Thailand, which has nice people and is a good ally, they have a 60-percent average tariff on apparel and textiles.

Colombia has 60 to 70 percent, and China has a 65- to 120-percent tariff on apparel, 30- to 90-percent tariff on textiles.

I represent a diversified district. The people I represent are sophisticated and well educated in many ways. I have some who are not; but even the most uneducated person in my district knows what being fair is, and when you tell him that a country can sell 50 or 60 percent of their exports into our country and that we have these high tariffs, then he knows that is not fair, and so do I.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Madam Chairman, I thank the distinguished gentleman from Georgia for yielding me this time.

Madam Chairman, I just want to rise and add my voice and take just a minute to make this brief statement in support of H.R. 1154, the Textile and Apparel Trade Act of 1987, which is a measure that is merited and timely. With nearly 250 cosponsors, it is clear that this legislation has broad support across this country and that a desired policy direction is clear.

Only Monday, Treasury Secretary James Baker said that the administration was "a little late" in addressing our tremendous trade deficit. Madam Chairman, it is far better to be late in action, than not to take any action at all. Let Congress take the lead in correcting the disastrous effects of the administration's inaction which has meant an average industry job loss of 17-percent per year since 1981 in the textile and apparel industries.

I do not believe we are taking a protectionist position in support of this bill, but rather correcting a flaw in our international trade mechanics and operating structure. The elements of the textile bill are indeed GATT compatible, and provides the administration with provisions to reduce tariffs in compensation for the effects of the imposed quotas, a provision which should please the administration.

Madam Chairman, too many U.S. jobs have been lost within the Southeast and a major U.S. industry suffers. I am proud to be a cosponsor of this bill and urge my colleagues to dismiss the protectionist rumors and vote yes on the passage of the textile bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Maine [Mr. BRENNAN].

Mr. BRENNAN. Madam Chairman, I rise today as a cosponsor and strong supporter of the Textile and Apparel Act.

The State of Maine has lost more than 7,000 jobs since 1980 in the textile and apparel industry.

I have received boxes full of photographs from mill workers in Maine, standing proudly by their press, their lathe, or their cutting board. This Nation's trade policies are not abstract to these hard-working men and women. They have watched the rise in shoe imports from 50 percent in 1981 to over 80 percent today eliminate their jobs. They urge me to support this legislation to help save those jobs that are left.

I believe this measure represents a practical approach to managing the tide of imports that threaten employment and communities.

It does not call for a rollback nor a reduction of current import levels, nor does it discriminate against any nation.

It gives the President flexibility to negotiate a reduction of any tariff on a country-by-country basis.

I am familiar with the arguments of those who oppose the bill—that it is protectionist—that it will cause retaliation—that this industry is booming and doesn't need any more support.

The fact is that U.S. trade competitors in the textile and apparel business carefully regulate their markets. It is estimated that tariffs on textiles in some countries range from 25 to 70. The fact is that more efficiency alone cannot ensure the survival of America's manufacturers—not when the shoe-making competition pays an hourly wage of 72 cents—like in Brazil.

The choice we face is simple:

We can responsibly manage our trade with other nations, or we can pay millions of dollars in unemployment compensation.

President Reagan recently visited a Harley Davidson plant where he supported trade relief to help the motorcycle industry.

I submit, Madam Chairman, that shoes and textiles are certainly as important as motorcycles.

If we can help the motorcycle industry, I believe we can help the shoe and clothing industries.

I urge you to join me in supporting this bill.

Mr. JENKINS. Madam Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987.

It's clear that the U.S. textile industry is bearing the brunt of unfair trade practices. Unbalanced trade agreements, passive enforcement of bilateral arrangements, and artificial barriers to free trade are ravaging our industry and putting Americas out of work.

Madam Chairman, the U.S. textile industry work force has declined from 848,000 workers in 1980 to 727,000 workers today. Combined textile apparel, and related industry job losses since 1980 are more than 300,000. Import penetration of the U.S. market increased during that 6-year period from about 28 percent to over 50 percent, and the annual trade deficit in textiles and apparel has passed the $18 billion mark. In my State of North Carolina alone, more than 45,000 textile industry employees have lost their jobs since 1980.

This alarming trend is not the fault of the American textile industry. Indeed, our industry is one of the most productive in the world. It reinvests 80 to 85 percent of its retained earnings and leads the world in modernization. But even with great strides toward increased productivity, employment figures and market share continue to decline.

To a large extent, Madam Chairman, the culprit is our own administration. It has refused to enforce the bilateral textile and apparel agreements negotiated during the late 1970's. And while many foreign nations take advantage of America's open borders, many continue to erect barriers to U.S. products, creating a double disadvantage for American textile workers.

Madam Chairman, my preference is always free trade, but the fact is, trade in textiles and apparel is manipulated throughout the world. Trade in textiles and apparel is not free and our failure to recognize this reality and respond appropriately has been very costly for our country.

H.R. 1154 is a much better bill than the textile bill this House passed by an overwhelming vote in the 99th Congress. I strongly support H.R. 1154 and I urge the Members of this House to vote for it.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND of Georgia. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, America's textile and apparel industries have taken a severe beating. The effect of cheaply made foreign imports on this industry has been devastating.

In my home State of Georgia, the textiles and apparel industry is the largest manufacturing employer in the State. It is literally the manufacturing backbone of our State. Over the past 5 years, Georgia has lost more than 20,000 jobs in this sector of our economy.

Opponents of this legislation point to statistics showing that the textile industry has increased its profits and is in better shape. At first glance, this may sound convincing. However, upon closer inspection, we find that this does not hold water.

When labor costs are decreased through layoffs and capacity is increased by plant closings, the situation can be made to look a lot better than is actually the case. While remaining plants may be more profitable this "downsizing" is economically unhealthy. The fact remains that the industry cannot compete under current conditions.

Additionally, profits rise and fall due to the cyclical nature of this industry. If you want to look at statistics, the latest Department of Commerce figures show that textile profits are down 12 percent for the second quarter of this year from 1986 levels.

Madam Chairman, this is a bill that is consistent with the General Agreements on Tariffs and Trade [GATT]. Let's act now to insure that stability of this industry and the many hardworking Americans who depend on it for their livelihood. Vote "yes" on H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield such time as he may consume to the gentleman from Virginia [Mr. DANIEL].

Mr. DANIEL. Madam Chairman, I rise in strong support of the pending legislation.

As many of you know, textiles and footwear are both significant industries in the district I represent, but even if this were not so, even if not one individual who resides within the Fifth District of Virginia were affected, I would still stand for passage.

There is a basic issue of equitability here. The American people have seen industry after industry swallowed alive by foreign manufacturers, primarily in the Pacific rim area. The textile, apparel and footwear workers, and the companies which employ them, have fought with every weapon available to them to maintain their jobs and to insure that American consumers have available to them American-made wearing apparel. Management has invested billions of dollars in new plant and equipment, in design and technology, and employees have cooperated in every conceivable way.

It is now time for the Congress to recognize this, and to accord to the textile, apparel, and footwear industries additional tools to make certain that these products do not join the long list of others which no longer are made in this country.

At the end of this week, the largest manufacturer of footwear in my district will close its doors. Hopefully, a way can be found to reopen them, but in the meantime hundreds of workers in these plants face a bleak time.

This Nation does not need a continuing cycle of plant closings and local economic depressions, and it no longer can afford to see such wholesale layoffs.

I urge all Members of this body to support H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Madam Chairman, we have heard much debate from the opponents of this legislation. They have charged that it will be costly to consumers. They have said it is GATT illegal and will violate bilateral agreements. They have said it will evoke retaliation.

We also hear a lot about huge profits for the industry, but figures from the Department of Commerce reveal that profits are down for the second quarter by 12 percent from the second quarter of 1986.

And any profits for the period January to June 1987 are less for textiles as compared to all manufacturing—3.3 percent for textiles/apparel and 4.8 percent for all manufacturing. And they also tell the real truth of what has happened to the domestic textile industry. The few manufacturers that are left would be expected to make a little profit when numerous others have closed their doors due to imports. These profits cannot make up for the tremendous losses in jobs and productivity for the U.S. economy.

But I don't need to elaborate on profits and GATT and retaliation. These issues are already being addressed very well by other very illustrous Members of this body.

However, I would like to say to this House that unless this country makes courageous decisions on this Nation's enormous trade deficit, the standard of living for our children and grandchildren will be seriously and irreparably reduced.

This administration says it is slowing textile import growth. If that is the case, why is the textile/apparel trade deficit up 21.4 percent over July 1986?

Why is the administration allowing more textile imports from Communist countries, in 1987 alone up 17 percent from the People's Republic of China, 127 percent from Hungary, and over 8,000 percent from the Soviet Union?

And why in the name of heaven are we standing still for import surges in textiles from Iran? Indeed, why are we importing anything from Iran, and why do we continue to extend most-favored-nation status. If the administration does not act on its authority to revoke MFN, the Congress should do so.

We are financing Iran's war effort while spending millions of dollars to protect shipping in the Persian Gulf against the tyranny of this government. This is an absolutely ludicrous situation and it is time to put a stop to the ineffective implementation of textile and apparel trade policy by this administration.

Because of these policies our marketplaces are being deluged with foreign imports, our domestic manufacturing base is eroding at alarming rates and, even more alarming, our industry is increasingly owned by foreign investors.

In 5 years, we have gone from being the world's No. 1 creditor to being the world's No. 1 debtor.

While foreign investment is not responsible for the trade deficit, it is indicative of our growing dependence on foreign productivity and not our own.

While the rest of the major industrialized countries of the world subsidize their industries and erect trade barriers which shut out U.S. exports, we continue to espouse policies which allow our trading partners to flood our markets, often with illegal shipments or through other means that undermine even those restrictions that are on the books with regard to trade.

Madam Chairman, we cannot afford "free trade." In reality it does not exist. In the words of noted international economist John Culbertson,

> By sacrificing our home market on the altar of free trade, we are condemning ourselves and our children to a future of fewer competitive businesses, fewer good jobs, less opportunity, and a lower standard of living.

I join Mr. Culbertson in his assessment that it is time to rethink this issue and insist on a mutually beneficial and balanced international trade.

I strongly urge the passage of this legislation.

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Madam Chairman, we cannot afford free trade. In reality it does not exist.

In the words of noted international economist John Culbertson, by sacrificing our home market on the altar of free trade we are condemning ourselves and our children to a future of noncompetitive businesses, fewer jobs, less opportunity, and a lower standard of living.

I would join Mr. Culbertson in his assessment that it is time to rethink this issue and insist on a mutually beneficial and balanced international fair trade to protect our folks that want to work so hard and produce to do these

things that they so sorely need for their families.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Madam Chairman, protectionism is bad policy. It is nothing more than an economic Maginot Line, a 20th-century Great Wall. It is the politics of scarcity, in a growing world economy.

Here in this country prosperity has been enjoyed by investors and managers and workers alike because our policies have not only accommodated, but encouraged growth.

Protectionism is the opposite of a policy of growth. It is a policy of surrender: a signal to the world that we can't compete. The message to the rest of the world is that even though our consumers want your goods, you can't sell them here. Your goods aren't welcome, and we don't care to explore your markets.

But, Madam Chairman, this bill is worse than protectionism. It seeks to protect industries that don't need help. It is not only a bad bill, it provides a bad solution to a problem that doesn't even exist.

Business in the domestic textile industry is so good that producers can't keep up with the demand. The textile industry isn't marketing its products overseas because it is overextended.

For instance, in July an industry executive testified before a hearing in the other body that import quotas have cut off any further supply of foreign rayon, while domestic mills have indicated to buyers that they are fully booked on production of rayon through 1987 and into 1988.

In the meantime, prices have risen roughly 50 to 60 percent in 6 to 8 months.

We've received similar reports about shortages in cotton.

According to Charles E. Battaglia, president of Yarn Sales,

> Business is so strong, and cotton supply so tight, we can't take on any new customers for cotton yarns * * *. We would like to export more, but * * * we are too busy supplying the domestic market.

A representative of Nike, Inc. testified that his company would like to expand its domestic apparel production, but has been forced to take its business offshore.

Here's what he said:

> Price is not the controlling factor that has caused Nike, Inc. to seek production sources in foreign countries.

If price isn't the reason, what is? Again, in the words of Carl Davis:

> All too often we have found American apparel manufacturers to be inflexible in their production and unable to meet production deadlines. We would like to expand our purchases of apparel in the United States, but unfortunately cannot risk doing so.
>
> Trade barriers in the form of more restrictive quotas would only enhance these problems as the domestic production facilities found themselves with increased orders. In the long run, the ones who will suffer will be the American consumers.

Madam Chairman, there are many reasons to oppose this bill, but surely one of the most important is that it will inhibit, not expand, trade. And it simply isn't needed.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Madam Chairman, I would like to respond to several of my colleagues today. Most of them seem to be from the Far West. I do not understand why they have information that is so different from ours.

The last speaker, the gentleman from Washington [Mr. CHANDLER], seems to indicate that the textile and footwear industry in this country is in such good shape that we do not need any protection and we cannot really fulfill the orders.

I have to extend an invitation to my friends from the West and from the other areas of the country that do not have this problem in their districts, to come and visit Pennsylvania and northeastern Pennsylvania in particular, and see what the problem is.

I would like to respond to another colleague from the West, from the State of Oregon, who earlier today referred to the athletic footwear industry and he said there is not any athletic footwear produced in the United States.

I was really shocked when I heard this statement this afternoon. And I can assure you that the 400 workers I visited over the weekend who were manufacturing athletic footwear were really surprised to learn that we had discharged them from their jobs. I assured them they had not been discharged and there is a great deal of misinformation brought to the House of Representatives. But I want to assure my friend from Oregon that there are 400 workers in the 11th District of Pennsylvania working today manufacturing athletic footwear.

If anyone else tells the Members of the House that that is not true, that is just pure mistaken fact.

Madam Chairman, today is an important day in the life of our Nation, for today we celebrate the 200th anniversary of the Constitution of the United States.

Article I, section 8 of the Constitution gives the Congress the right and the responsibility to "regulate commerce with foreign nations" and to "lay and collect taxes, duties, imposts and excises."

Today the House of Representatives will honor the Constitution by passing H.R. 1154, the Textile and Apparel Trade Act of 1987, which I am proud to be a consponsor of. In passing H.R. 1154 the House will be exercising its responsibilities under article I, section 8 to protect the future of two industries which are as old as the Constitution itself and vital to the American economy: the American shoe and textile industries.

Madam Chairman, in recent years hundreds of thousands of American shoe and textile workers, including tens of thousands in northeastern Pennsylvania, have lost their jobs as a result of a flood of foreign imports made in countries that subsidize their industries, pay slave labor wages, and which have little or no health, safety, labor or environmental protection laws. If we do not take action now to make our trade laws fairer to American workers, we risk losing these entire industries. We also cannot expect American exports to increase if we do not use our trade laws to encourage other nations to pay their workers a living wage.

The case for this legislation is clear. Employment in the industries is way down. Profits are down 12 percent in the last year alone. The trade deficit is up to record levels, $16.5 billion in 1 month alone, and shoe and textile imports make up a full 16 percent of that deficit. The bill is compatible with our international trade obligations under GATT and it gives the President all the flexibility he needs to comply with bilateral agreements.

Last month the United States imported 1.25 billion square yards of textiles and apparels. That is roughly enough to make 500 million pairs of pants—enough to give every man, woman, and child in the United States two new pairs of pants every month.

Madam Chairman, we cannot allow foreign manufacturers who pay their workers as little as 18 cents an hour to take American shoe and textile workers to the cleaners. As their elected representatives we have the responsibility under the Constitution to provide for the general welfare by making sure that our trade laws give American workers a chance to earn a decent living.

Madam Chairman, my home State, Pennsylvania is proud to be the birthplace of the U.S. Constitution and one of the largest shoe and textile producing States in the Nation. We Pennsylvanians are proud of our workers, and their heritage, and we know that if they are given a chance to compete on an even basis they will win. I intend to enthusiastically vote for this bill which will give them that chance.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to my colleagues the gentleman from Georgia [Mr. RAY].

Mr. RAY. Madam Chairman, I respect the views of my friends who oppose restrictions on trade, but I do not understand their thinking, particularly when we have a $165 billion trade deficit. This morning's report indicated that we have broken all records in the last quarter with a $41 billion trade deficit. It has been said that for each of these billions of dollars, 5,000 U.S. jobs are lost.

We are not just talking about textile jobs, my colleagues. We are also talking about hundreds of other categories of goods. Many industries are gone and are out of business. But there is one industry which has lost 50 percent of its manufacturers and does have the gumption and intestinal fortitude to fight for its life. That is the textile industry. Steel, shoes, gloves, automobiles, certain high tech and electronics

industries and others have already lost out.

Another reason why many of us are concerned about our industries and our jobs is that we have lost confidence in our Commerce Department, our State Department, trading negotiators, and those who advocate free trade.

Contributing to our dismay is the fact that we continue to do business with Iran under the most-favored-nation status, despite the destruction of our Embassy in Lebanon, which took about 7 lives, and the suicide truck bombing of our marine barracks that killed 241 of our young American marines. Iran recently dumped 600,000 square yards of cloth with a low cost and low tariff on this Nation that they often refer to as the Great Satan.

The Soviet Union, after buying our submarine technology from the Toshiba Co.—which by the way has taken thousands of American jobs and transferred them to foreign countries—dumped 12,000 square yards of cloth on American markets at 43 cents per square yard plus a tariff of only 3 cents. American prices for similar cloth is 73 cents per square yard.

I suppose, Madam Chairman, that this was done with the consent of many of our people in the State Department.

Despite the interest of this country in trying to keep its markets open, we have to work to protect those markets in certain areas, such as the textile industry. I urge my colleagues to vote for this bill.

Madam Chairman, I rise today in strong support of the textile bill. This legislation will establish import quotas on each category of textiles and textile products from all exporting nations. These quotas would be based on the level of imports from each nation for the year 1986 and would create no rollback of trade.

The legislation we are considering today will not discriminate among countries. It will set global limits which would not single out a specific producer, but it will send a strong signal that at last one segment of our industrial base has the courage and the intestinal fortitude to say enough is enough. The textile bill will give the administration full flexibility within prescribed global limits and will be consistent with present trade arrangements.

To illustrate the need for such trade support, I would like to draw your attention to a situation involving textiles from Iran—which the Commerce Department, the administration and the so-called free traders have ignored.

Since January of this year, 600,000 square yards of fabric at a cutrate price have been shipped here from Iran. Not only are they dumping textiles on our markets, but they are doing it with most-favored-nation trade status negotiated with the Shah of Iran. Can you imagine the delight of the Ayatollah knowing they are dumping their goods on the markets of a nation that they consider to be the great satan.

It is unbelievable that we continue to offer them these trade terms when we know without question that Iran engineered the bombing of our Embassy in Beirut and destroyed our marine quarters there killing 242 young marines and are presently creating mischief in the Persian Gulf.

It's bad enough when the administration will not slow down the textile imports from our allies and trading partners, such as Hong Kong, Taiwan, South Korea, the Philippines, and Central America and others. But it is beyond belief to think they would allow our worst enemies to undercut our own producers.

This type of carelessness and disregard has caused the need for such legislation as H.R. 1154.

I, along with Congressman JENKINS, will this week, introduce a bill to strip away Iran's most-favored-nation status and we already have 50 cosponsors. Iran, through its terrorist tactics, has kidnapped Americans, killed Americans, and unless we take away their most-favored-nation status, they will take away more and more American jobs—which by the way represents 5,000 jobs for each billion dollars of trade deficit.

To further illustrate the need for textile trade protection, I would like to draw your attention to textile imports from the Soviet Union.

The Soviets are the cheapest producers of cotton sheeting in the world. American producers are now selling their cotton sheeting at 73 cents per yard. The Soviets are able, with heavy subsidies, to produce and ship their sheeting to the United States at a cost of 33 cents per yard. Our import duties add only 3 cents to the cost allowing the Soviets to undercut our goods by 40 cents per square yard—a price at which no American producer is able to compete.

Last year the Soviets began exporting a small amount of cotton sheeting into the United States. Beginning in March they increased their exports by 2 million square yards. In the months that followed, the Soviets doubled their exports each month.

The American textile industry petitioned for the implementation of the textile agreement as early as May 26 of this year and again on June 4. The administration had the authority to curb these imports. However, no action was taken. The attitude of the administration was summed up by one official who was quoted as saying, "We can wait and negotiate with them and then take action."

When the exports exceeded 12 million square yards, the administration finally took action—it called for negotiations.

The subsequent negotiations in Washington were a complete failure. Since no pressure had been placed on the Soviets they came to the negotiations with outrageous demands and no desire to reach common ground.

With no agreement from the Soviets, the administration imposed a 4.4-million-square yard limit of cotton sheeting from the U.S.S.R. for the coming year. This did nothing to protect our producers from the 12 million yards that the Soviets had already dumped on our market.

The Soviets are also mounting a campaign to join Western trade and financial agreements. Last year the Soviet Union tried to join the 54-member Multifiber Arrangement which is administered by the General Agreement on Tariffs and Trade. Their membership was blocked by the administration largely from pressure by the Pentagon.

Within the administration there is a battle concerning the use of trade with the Soviet Union as a bargaining chip. The State Department has argued that the best road to an arms agreement is through stronger economic ties with the Soviets. It appears that this argument is winning the debate. At an East-West forum, Deputy Secretary of State John C. Whitehead replied when asked about Soviet membership, "We would like to see the Soviet Union become a member of all these international bodies."

Apparently the Toshiba incident, whereby U.S. Navy submarine technology was sold to the Soviets, has been forgotten, even though $30 billion invested in our submarine fleet has been compromised.

Madam Chairman, how can we continue to allow nations such as Iran and the Soviet Union to flood our markets and undercut our own producers. The time for action is now. I urge my colleagues to support the textile bill.

Mr. SCHULZE. Madam, Chairman, I am happy to yield 3 minutes to the gentlewomam from Maryland [Mrs. BENTLEY], one who is very much concerned about this topic.

(Mrs. BENTLEY asked and was given permission to revise and extend her remarks.)

Mrs. BENTLEY. Madam Chairman, we hear the many rationales for "giving away the American market" to every foreign manufacturer under the Sun—and in the process to give away those American jobs—which I see as a constitutional birthright celebrated today. Once again we are told how much more it will cost American consumers to save these jobs.

Why are we not told the hidden costs to every American for the loss of these jobs? No matter how much the lobbyists for free trade push the idea that foreign manufacturers are somehow doing us a favor with cheap products, the statistics on the cost of unemployment to every American prove it's just not so.

ICF Inc., in a recent study, estimates that enacting H.R. 1154, the Congress will enable the Federal Government to save as much as $500 million in reduced outlays to unemployed workers in the second year.

This estimate is based on the costs to unemployment insurance and other unemployment-sensitive programs plus reduced Federal interest costs that would result from cutting the deficit by these amounts.

There are many communities across the country—where well-paying manufacturing jobs have been lost to foreign imports—who could tell us on this floor of the costs in human suffering and the many tragedies which spin out of the cruel numbers of a balance-of-payments deficit.

The officials of these States and communities could also tell of losses to

their tax rolls and to their services from the loss of these jobs.

You want to peddle cheap blue jeans on this floor today? There'll be markets aplenty among the unemployed—they'll need them, if this bill does not pass—if they make enough on unemployment compensation to buy them.

There's another aspect to this: national security. Any military force needs uniforms for its troops. When we were briefed by Pentagon officials last year, I was stunned when the admiral agreed that the United States did not have an industrial base equal to that which it had at the beginning of World War II, after which even the U.S.S.R. had credited our industrial base for its victory.

He added the United States could not buy in this country today what it could in 1941 and proceeded to list military uniforms among those items. Isn't it frightening that our military may have to fight in an emergency inadequately uniformed—because we can't get product here.

When I challenged the admiral about buying boots overseas rather that from a boot factory on the edge of my district, he responded they were cheaper in Korea.

My retort was that Navy admirals also are cheaper in Korea.

But more importantly, the workers in the Korean boot plant do not contribute to our tax base, do not help pay to keep the Pentagon in operation.

The overseas workers do not help reduce our operating deficit.

One more point that I want made in this debate—on the day we celebrate our great Constitution's birthday—what about the plight of the foreign workers in all the textile sweatshops being operated in these poor nations to supply our consumers with cheap products? Is that what we want to perpetuate?

Have we lost all conscience in this country? Is it OK for women and children to work 7 days a week to supply our runaway consumerism? Does any one of you on this floor suggest that our own workers could compete with these poor exploited people? You have said they must be more competitive. And for what? Are we a nation of peacocks?

There are other questions, too—on paying for all of this—since we have a large balance-of-payments deficit, maybe—just in order to cut our borrowing from the world to pay for consumer products is justification enough to support this bill.

Look at us. Look at what we are doing to ourselves. We go in debt to buy goods which are worn out or out of fashion before the bill for them is ever paid.

We put our own workers out of jobs in order to buy the goods and then, in all too many cases, we are supporting the exploitation of women and children in order to get the cheap products.

And every day we move deeper and deeper into the position of being a colony.

I urge you all today to vote for a stronger America. Vote for H.R. 1154—save our jobs. Save our money. Save this country.

Mr. GIBBONS. Madam Chairman, I yield myself 9 minutes.

Madam Chairman, first of all I would like to rebut the gentlewoman about being prepared. That young admiral that she quoted was not even in the Service when World War II began. I can assure her that having been a soldier before Pearl Harbor and at Pearl Harbor time, I wore World War I uniforms, I fired World War I ammunition, and World War I rifles. I carried those weapons all the way through the war.

Some of our stuff that we fought with in World War II actually came from the Spanish American War.

Today, however, we are very much better prepared. There is enough law now on the books that if there is any shortage of ability to meet our wartime needs, all kinds of drastic things can be levied against foreign industry and foreign imports.

That is a bunch of hokum and the admiral that said that either ought to be retired or demoted.

Madam Chairman, let us look at where we are today and what is happening in America. I hear these cries of gloom and doom and the facts just do not support them.

□ 1635

What nation on Earth exceeded all other nations, all other industrialized nations on Earth in growth between 1982 and 1986? Would somebody want to answer that?

It was our United States of America. The OECD figures, the official world figures show that industrial production grew faster in the United States than it did in any other industrialized country on Earth, including Japan, Canada, all of Europe, all of the other nations.

Now what has that got to do with this debate? We are talking about textiles, we are talking about garments. If you examine the economic figures and the employment figures in these industries as compared to the rest of American industries you will find that as far as profits are concerned, as far as stock value is concerned, as far as return on equity is concerned, that the textile industry and the garment industry is doing real well.

Here are the figures. These are not industry figures. These are official figures of this Government.

The profits in the textile industry increased by 62-percent last year to more than $1.7 billion, its highest level of profit in a decade. And on top of that 62 percent increase last year which is phenomenal and cannot be sustained, during the first quarter, which is as close as we can measure this year, in addition to the 62 percent the profits went up another 12 percent.

Now is that a sick and dying industry? That is the textile industry.

In the textile and apparel industry employment went up 25,000 jobs this year from January 1 to June 1, 1987, versus the same period in 1986.

Now is that a dying industry? No it is not a dying industry.

Now I admit that overall employment in the textile and garment industry has gone down, not by the drastic figures that you see or hear here, which have been heard on the floor, but they have gone down and why have they gone down? Because the textile and apparel industry have modernized.

That is what modernization is all about; you get greater production out of fewer people and therefore you become more efficient and you become more profitable.

If anyone could go into a modern textile mill today, and we have some in this country, versus some antiquated ones and we have a few of those left too, you would notice that the difference between what a spinning machine can do, what a modern spinning machine can do and what an antiquated one, post-World War II technology can do. There is no comparison. The total number of people required to spin the same amount of thread is vastly different.

If you go into the weaving end of the textile business where the cloth is put together from thread and you look at the old post-World War II, some American machines but mainly European machines, you will find the old shuttles working back and forth. But you go into the very modern plants and I was privileged to do in South Carolina and North Carolina, you will find the water jet loom and the air jet loom weaving cloth at 10 times as fast and with far less defects than the old machinery. So certainly the employment rate in these areas to produce the same amount of goods is going to be far down. But overall the industry is profitable.

Now there are some, I believe 15,000 to 18,000 individual business units in this industry, these two industries together. And in those there are going to be some eliminations.

Some of them are going to be because of obsolescence, some of them are going to be because of poor management and some of them are going to be by foreign competition.

But let us remember that the highest official figures of penetration that we have are in the garment area and

they have finally reached about 33 percent.

Now I am not a stand pat fellow. We are not talking about free trade. We have heard that thrown around here. This is not free trade that I am even defending here. I am just asking us not to go further.

Estimates are that it will cost $20 billion, a $20 billion tax out of the American economy if we adopt this program. The current program of protection that we have already is costing $20 billion which means we are costing every household in the United States about $300 per household. This program will increase that to $600 per household.

Now we are not talking about free trade. There has not been any such thing as free trade in the textile industry ever in the United States. The protection began really in earnest in 1957 and it has escalated up so that now we have not only a multifiber arrangement with all the world but we have 41 different separate bilateral trade agreements going into 1991 around the world covering almost every product, 140 different categories of products, that you can think of.

We are not talking about free trade. We are already talking about the industry that has the highest protective tariff in the United States on an average 18 percent. We are talking about an industry that is doing relatively well compared to its fellow American industries.

When you look at American industry, I have already cited OECD figures that showed that American industry has grown faster than any other industrial country in the world in the last 5 years.

Now what are we belly-aching about? We just want more. It is impossible. No country on Earth has ever been able to raise its standard of living, and that is what we are talking about here, the American standard of living, by closing its markets. It never has happened in 6,500 years of recorded history and it is not going to happen now. It is impossible. You cannot do it.

Now all that is going to happen is that we are going to lose other markets to the Canadians, to the Europeans, to the Japanese, to the Russians, if we pass this legislation. We are going to hurt ourselves.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. In answer to what Mr. GIBBONS has said, I will also tell him that in 6,500 years no country has ever increased their prosperity by giving away one of their basic industries. And these figures that we have been arguing about all afternoon, that Mr. MCMILLAN said earlier, the 53-percent penetration versus the 33-percent penetration.

Mr. GIBBONS. Madam Chairman, will the gentleman yield to me for a minute? I will yield additional time to the gentleman later.

Madam Chairman, will the gentleman yield to me for 1 minute?

Mr. DERRICK. I certainly will yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Madam Chairman, I am not talking about giving away our industry.

We already have agreements with all of the textile producing nations on Earth and we are already protecting that industry and we have made commitments and they have made commitments that go to 1991. I just think that to renege on those commitments now, to say we have got to have more is, first of all, not the way to do business, and, second, it is not going to hurt our country.

I am not asking for free trade, I am asking though that we do live up to our commitments.

Madam Chairman, I yield 1 additional minute to the gentleman from South Carolina.

Mr. DERRICK. Mr. GIBBONS, either you or I, one, is missing the whole point of this argument.

Mr. GIBBONS. I know you are.

Mr. DERRICK. The point of it is this: Sure, we have all these agreements, of course we do. But the point of the whole legislation is that we are not enforcing them, we are not enforcing them. Now you talk about the penetration figure. If we were enforcing our Multifiber Agreements we would not be standing here this afternoon.

Now you talk about a 33-percent penetration versus a 53-percent penetration. Mr. GIBBONS, I respect you as being one of the better minds of the House and you know as well as I do that you are both using different facts. You are using dollars, Mr. MCMILLAN was using yardage.

Mr. GIBBONS. No.

Mr. DERRICK. And it is done in two different ways. The fact of the matter is that whatever figures you use, if you use the yardage it is increased from 30 percent in 1980 to 53 percent.

Now let me tell you, we hear a lot about protection. Well, so what? You know why I am sent to Washington? I was sent to protect, as one of the things that I have been sent to do is to protect the living standard and the ability of the people that I represent to make a living. We have lost 350,000 jobs in the textile apparel industry and we have lost approximately 700,000 job opportunities.

My State has been particularly hard-hit by the loss of some 35,000 jobs.

Now are you going to stand there and tell me that I do not have a right to get up here and to try to hold these jobs for my constituents? Of course not. I know you are not.

I think it was Brock who was reported on the floor earlier who said that the textile and apparel and fiber industry is second only to the steel industry and our defense needs. What are we going to do if we continue to give away these basic industries? The gentleman was down in South Carolina and, you know, we were delighted to have you down there. We would like to have you back. We might have to get a bulletproof car when you come back but we still would like to have you. We will provide it.

We would love to have you come back—I am being facetious of course—we would love to have you come back and we will treat you I hope with the same cordial hospitality that you received before.

You know, you need to remember those towns that you went through that were just so bleak and grey because jobs that had been there for 100 years were no longer there.

So you know my suggestion is let us go ahead and pass this bill. If there is anything, any bill that I have seen that we can really help our country, not only in our defense needs but in our standard of living, it is this bill. I would like to see us go ahead and pass it. And maybe get enough to have a veto override.

Madam Chairman, the following members were inadvertently excluded from the cosponsor list of H.R. 1154: HERBERT BATEMAN of Virginia, LARRY HOPKINS of Kentucky, BUDDY ROEMER of Louisiana, and LAMAR SMITH of Texas.

Mr. JENKINS. Madam Chairman, I yield 1½ minutes to the gentleman from North Carolina [Mr. LANCASTER].

Mr. LANCASTER. I thank the gentleman for yielding time to me.

Madam Chairman, among the most fallacious arguments against the Textile and Trade Act is the constant wimpering about fear of retaliation. What kind of retaliation is going to be more harmful to America than the record U.S. trade deficits; closed textile mills and idle shoe factories, once the pride of the Northeast? What kind of retaliation, adopted at the discretion of the administration, can worsen the plight of the unemployed textile workers in my district?

Madam Chairman, can it be that this same policy, dictated by some fear of retaliation, is the reason why Iran keeps its most-favored-nation trading status with the United States? As my colleague from Georgia pointed out, our textile imports from Iran soar while we spend millions to protect shipping in the Persian Gulf from Iranian missiles, torpedo boats, and aircraft. The Iranian trade situation seems to be indicative of a general fear and lack of backbone to take meaningful action on the economic front when our cause is just.

H.R. 1154 is a reasonable and orderly approach to a very real and costly problem that is going to get worse, much worse, if we refuse to act because of a lack of backbone. For the past 30 months the drumbeat from the administration has been, "the trend is to lower the trade deficit." However, the trade deficit continues to rise alarmingly with the administration blaming other nations' economic mistakes, bad weather, unreliable statistics, and Congress. Other nations have always made mistakes; we've always had bad weather, unreliable statistics, and Congress.

The remedies are contained in this bill. The policy so far has resulted in 300,000 lost American jobs since 1981; a fourfold increase in the trade deficit from $40 billion in 1981 to nearly $170 billion now. Despite the claims of opponents of import relief—the facts are that profits continue to fall for the once mighty U.S. textile industry.

I urge my colleagues to support H.R. 1154, a reasonable, moderate tool to help restore our balance of trade and put American manufacturers back in business and American workers back on the job.

□ 1650

The CHAIRMAN. The Chair wishes to indicate that the gentleman from Georgia [Mr. JENKINS] has 9 minutes remaining, the gentleman from Florida [Mr. GIBBONS] has 9 minutes remaining, the gentleman from Pennsylvania [Mr. SCHULZE] has 13 minutes remaining, and the gentleman from Illinois [Mr. CRANE] has 18 minutes remaining.

Mr. SCHULZE. Madam Chairman, I yield 4 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Madam Chairman, I thank the gentleman for yielding this time to me.

Madam Chairman, this bill insists on nothing more than a fair fight. It recognizes that the sweatshops of the world are flooding the United States with two-thirds of the world's output, and we are expected to hold our own against that flood tide while complying with the humane work requirements that the U.S. law and regulations require, something that is not required in most of the sweatshops of the world where these products are manufactured.

I will make three points. First, there is a serious textile import problem in this country. It was serious last year when we voted strongly to revamp our textile trade policy. It was serious in each of the 5 years before today, formative years in terms of our textile problems, because during that period of time textile imports actually doubled.

Second, the textile and apparel industry is not brimming with health. Oh, some few companies may be, but I am talking about the hundreds of companies that no longer exist, companies whose statistics will not show up in our records because they have gone bankrupt and their plants have closed. And if Members do not believe that, they can come and take a trip with me sometime in my district and around my State and around the South, and we will show them the hulks sitting there empty. Those people cannot speak now in the statistical battles because they statistically do not exist.

We hear all this talk from both sides on the subject of profit margins, capacity utilization, productivity, and the like, and I have to say that the American textile industry as a whole is apparently doing somewhat better as a general rule, with a few big companies. It is an industry that is lurching back, though, from a coma. Some large companies are doing well, but many, many small companies are not, and many have gone out of existence. The industry is over 1,000 plants smaller than it was in just 1980 and nearly 300,000 jobs smaller than it was in 1980 because of imports.

Our textile and apparel trade deficit has increased many times over since 1980, and it shows not one sign of slowing down, meaning we will see the eventual complete erosion of this industry in this country.

It is estimated that nearly half of the clothing purchased in this country comes from China or Korea or Brazil or other countries of the world. So try telling our remaining workers that things are finally on the mend and things are better, They are unemployed. They disagree with you.

This is the third point: The fundamental problem plaguing American textiles and apparel is not whether our industry has failed to take competitive steps. No matter how hard our workers work or how much we improve our productivity, no matter how many millions our industry pours into our retooling efforts and the like, we cannot compete against the sweatshops in the Far East that are paying hardly any wages, that are working children in places where the electric wires bristle on the floor, with no air-conditioning and hardly any ventilation. You have been there. So have I. We do not allow that in this country, nor should we. Yet we cannot compete against that kind of competition without some sort of protection.

Our textile trade policies have left our people to the wolves. It is short and simple. Since the early 1970's almost all textile and apparel trade has operated under the multilateral textile trade agreement, which states among other things that individual countries should not make it subject to import surges that disrupt the markets, and also, last but not least, import growth of textiles should be expected but at moderate levels.

In essence, the MFA is unique. It acknowledges that we should allow imports, but it allows up to protect our industry and its workers.

Madam Chairman, I ask the Members to stand up for American workers and support this bill. If we do not, if this bill does not pass, I have great fears that the American textile and apparel industry will disappear.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I have heard a lot of talk about rapid growth recently in the textile and shoe industry. I say to the Members, if you have been cut off down to the ankles and you have grown back to the knees, I guess you are looking OK, but you are still far, far away from being at eye level.

That is exactly the situation we have in this country. I want to talk about real jobs lost, not about projected jobs lost. I want to talk about the Kinney shoe plant in Glenville, WV, just about 2 months ago, with 250 textile workers. I had the sad experience of going to that community meeting to organize some plan as to how we would try to get trade adjustment assistance benefits.

This was not a high-paying plant. They were low wages, barely above minimum wages, but with high productivity because they took pride, and yet because 80 percent of the shoes sold in this country are foreign and because they cannot sell their shoes abroad like anyone else can sell their shoes in this country, they lost their jobs and the plant.

We are trying to find a new buyer, but it is pretty tough when they know that there is 80 percent of the market lost already and nothing better to come. This bill will not save those Kinney workers today, but it may put a buyer in that plant. It may guarantee that others will not have the same sad experience that we had recently.

Madam Chairman, I urge the Members to support this legislation.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Madam Chairman, since December 1986, over 10.6 million square yards the equivalent of textile and apparel exports from South Africa—worth over $6.6 million—have been admitted for consumption into the United States in violation of law—Public Law 99-440. Although the sanctions the Congress legislated on South Africa last session prohibited textile imports from that country, for South African exporters, United States importers, American

textile workers, and the Reagan administration, it has been a case of "business as usual."

Madam Chairman, the U.S. Trade Representative has written to me opposing H.R. 1154, the Textile and Apparel Trade Act. He writes, "the administration has already done an enormous amount in recent months to assist the U.S. textile and apparel industries." I disagree. I would suggest that compliance with U.S. law would be a good place to begin and that passage of H.R. 1154, the Textile and Apparel Trade Act, is a necessary action to protect American textile jobs.

I urge my colleagues to support H.R. 1154.

Mr. SCHULZE. Madam Chairman, I yield 1 minute to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Madam Chairman, I rise today in strong support of the Textile and Apparel Trade Act of 1987—and I do so as one who is also a strong supporter of fair and open trade policies.

All across the country, and particularly in areas such as my own State of Missouri, tens of thousands of shoe and textile workers are watching anxiously today to see if we in this body will turn our backs on them, of if we will grant them the temporary import relief they so desperately need—and deserve.

Last year alone, 70 nonrubber footwear factories in the United States closed their doors. Five of those factories were in Missouri, and I can tell you that the communities who are losing those jobs are rural communities in which every paycheck counts, and in which other jobs are few and far between.

Why are these jobs being lost? In 1968, only 1 in 5 pairs of shoes worn in the United States were made overseas. Today, only 1 in 5 pairs of shoes bought by Americans is not made overseas. This disastrous trend is the direct consequence of the kind of unfair trade practices we all profess to condemn. While our own market has remained wide open to foreign-made shoes, virtually all other major shoe-producing nations in the world have closed their markets and done everything possible to shut out imported footwear. The result: we have long been the best target anywhere for the shoe salesmen of other countries. Those nations, as we all know, have no qualms about providing whatever subsidies are necessary to claim an ever-greater share of the U.S. market.

We have here crafted a bill that is reasonable, responsible, and effective, I urge my colleagues to support H.R. 1154, and by so doing, give thousands of American workers a real chance to revive an industry that is a vital part of our economy.

Mr. SCHULZE. Madam Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Madam Chairman, I rise in strong opposition to H.R. 1154.

Madam Chairman, this Member cannot support H.R. 1154 as it is reported to the floor today by the Ways and Means Committee.

As I promised my constituents who have asked me to support H.R. 1154, I have taken considerable time studying the information concerning this legislation. I had hoped that in substance the bill would be an improvement over previous textile legislation that has been considered by Congress.

In some instances the bill is an improvement. For instance, H.R. 1154 discriminates against specific countries less than previous legislation, and it does allow for modest growth in imports which it is argued, would lessen the likelihood of retaliation by other countries.

In other respects, however, H.R. 1154 is as bad, if not worse, than the textile legislation considered by Congress in 1986. The following are a few of the major reasons why I believe that H.R. 1154 is not in the best interests of most of my constituents, or the Nation:

ACTIONS HAVE ALREADY BEEN TAKEN TO HELP THE U.S. TEXTILE AND APPAREL INDUSTRY

Major steps have already been taken to strengthen the position of the U.S. textile apparel industries. The American textile and apparel industry has experienced the greatest level of protection afforded any industry, as evidenced by the recently extended coverage of the Multifiber Agreement [MFA], the tightening of our major bilateral textile agreements, and the continually increasing volume of restraints on new and midlevel supplies.

The Multifiber Agreement has been renegotiated to extend coverage to virtually every type of fiber. Many of our bilateral agreements have also been renegotiated to restrict annual import growth to only 1 percent, from major suppliers, and 6 percent from other suppliers. In 1986 alone, the United States negotiated or imposed more than 200 quotas. These agreements and quotas should limit imports of most products to nominal growth in 1987.

In addition to strict quotas, the textile and apparel industries benefit from tariffs that average 18 percent, compared to 3 percent for other manufacturing industries.

ECONOMIC CONDITION OF THE TEXTILE AND APPAREL INDUSTRY

Contrary to statements we have read, production and profit levels are increasing and employment levels of the textile and apparel industry are stabilizing.

Profits of textile companies increased 97 percent during the first three quarters of 1986. Capacity utilization was 95 percent through December. Domestic production and exports increased and inventories decreased in 1986.

The unemployment rate of textile and apparel workers combined has dropped from 14.6 percent in 1982 to a low of 6.7 percent in June 1987. Unemployment in the textile sector alone in June 1987 was 3.5 percent—the lowest rate recorded in recent history, and considerably below the national average.

Most of the recent loss in textile and apparel employment has resulted not from import competition but from management decisions on the part of the industry reflecting improved productivity and competitiveness.

RETALIATORY IMPACT ON OTHER U.S. EXPORTING INDUSTRIES

Because of the tight quota restrictions of H.R. 1154, we can expect significant retaliation from our trading partners, especially from the European Community and Canada, which in effect were not affected by the last bill.

H.R. 1154 would have an especially heavy impact on American agriculture. The countries supplying textiles to the United States were the markets for almost three-quarters of our total agricultural exports in 1986. Because H.R. 1154 affects all textile supplying countries, it will adversely affect countries that together comprise more than 70 percent of our agricultural export markets; the bill previously passed by Congress only affected countries representing 40 percent of our overseas agricultural markets.

The bill H.R. 1154 would put at risk the recent gains and further expected growth in export earnings for the American farmer. U.S. agricultural exports are increasing in both volume and value. Compared with 1986, U.S. agricultural exports are expected to climb 16 percent in volume to 127.5 million tons, and 5 percent in value to $27.5 billion.

IMPACT ON U.S. CONSUMERS

By restricting textile, apparel, and shoe imports, H.R. 1154 would raise clothing costs for consumers. Low- and middle-income citizens would be particularly affected.

The Council of Economic Advisers is quoted as estimating that the restrictions imposed by the bill would raise wholesale textile and apparel costs by up to $37 billion over 5 years. Costs ultimately paid by consumers at the retail level would raise by an even larger amount.

IMPACT ON CURRENT TRADE NEGOTIATIONS AFFECTING THE GENERAL AGREEMENT ON TARIFFS AND TRADE

Finally, H.R. 1154 would damage, if not destroy, chances for a successful round of GATT negotiations. Those negotiations, just now beginning in Geneva, Switzerland, represent our best chance to increase United States exports and the sale of services. By strengthening the system of rules and disciplines that govern trade. Violating the MFA and the GATT at this point would flagrantly undermine U.S. credibility in these negotiations and compromise our efforts to use the talks to eliminate unfair trade practices and open foreign markets for U.S. exports. We cannot ask others to open their markets when we are closing our own, or to effectively negotiate new commitments when we are busily breaking existing ones.

Mr. GIBBONS. Madam Chairman, I yield such time as he may consume to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Madam Chairman, I rise in opposition to H.R. 1154.

Madam Chairman, I am in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. Although this measure differs substantially from the bill passed by this body last year, the adverse consequences of this legislation upon the Hawaii textile industry remain unchanged.

In Hawaii, more than 3,350 people are employed in 145 textile and apparel manufacturing companies. The textile and apparel industry is my State's second largest manufacturing concern behind agriculture, experiencing a 1986 growth rate exceeding 13 percent.

The proposal of separate global quotas for each Department of Commerce textile category, permitting 1 percent annual growth rate in each textile and apparel classification, could be devastating to Hawaii industries. Implementation and distribution of quota allotments and growth allowances would be entirely at the discretion of the administration. This proposal creates a situation of great unpredictability for Hawaii's small, specialized manufacturers. Most of the fabrics utilized in the Hawaiian textile and apparel industry are impossible to procure from American mills. Dependent upon foreign textile companies for small orders and intricate, detailed, multicolored prints, any administration reduction or freeze in the quota allocated a specific nation could eliminate Hawaiian access to these specialized fabrics, decimating a flourishing industry and eliminating needed jobs.

Additionally, confronted by a restrictive growth quota, Asian, and other suppliers, could refuse the relatively small, costly orders of Hawaii manufacturers, opting instead to satisfy the more profitable demands of larger customers. Small American textile and apparel industries, including Hawaii businesses, may fall victim to larger orders if forced to compete in a restrictive market with large firms.

I share my colleagues concern over the serious trade difficulties experienced by the United States. However, Congress needs to address these concerns in a manner that strengthens the U.S. economy, increases American industrial competitiveness, and benefits the American worker and consumer. Unfortunately this bill falls short on these goals. For these reasons, I must oppose H.R. 1154.

Mr. SCHULZE. Madam Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Madam Chairman, I thank my distinguished colleague for yielding this time to me.

Madam Chairman, it is ironic that while competitiveness is the theme of the 100th Congress, we consider this legislation, H.R. 1154, the Textile and Apparel Trade Act of 1987. This bill will damage our exports abroad and shelter our domestic industries from the competition they ultimately must meet.

The bill will limit the growth of textile imports to 1 percent above a 1986 base. While this might sound like fair protection to our important textile industry, the use of import quotas in this fashion once again demonstrates trade policy formulated in a vacuum. Countries which are struggling to enhance their own democracies and which generally support American foreign policy will now have their growth in the U.S. textile market limited to just 1 percent annually.

The Philippine Government of Corazon Aquino, which is struggling with Communist insurgents and whose exports have grown to $441 million last year, or 11 percent, under this bill will face the prospects of growth limited to just 1 percent. Like the ill-advised Sugar Program of 1985, these quotas are not just economically unwise, they will thwart attempts to earn foreign exchange necessary to meet debt obligations and stunt the prospects for growth in many countries like the Philippines fighting for democracy.

Proponents of the bill claim it will reduce unemployment in the industry and thus reduce government unemployment outlays. But their figures are based on the assumption that displaced workers never get rehired, and they ignore the additional costs that consumers will pay as a result of higher prices. In fact, the Council of Economic Advisers estimates consumers would pay an additional $25 to $37 billion over 5 years. Tragically, lower income consumers would pay the heaviest penalty as product upgrading will reduce the availability of less expensive merchandise.

In addition, as the gentleman from Minnesota [Mr. FRENZEL] has so accurately stated, this bill violates existing trade agreements, including the General Agreement on Tariffs and Trade [GATT] and the Multifiber Agreement [MFA] in at least seven different instances. How can our negotiators in Europe and Asia seek to pry open foreign markets while we continue to erect new barriers here at home?

Madam Chairman, the danger of this bill, as well as other trade legislation, is that it diverts attention away from the true ills of our economy. We suffer today from a government which continues to spend without constraint. Our budget deficit undermines our negotiators in Bonn and Tokyo, makes financial markets unstable, and threatens the future of the next generation of young Americans. Passage of this legislation will send yet another signal to the world that our country prefers to raise new walls against the outside, rather than doing some necessary housecleaning here at home.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MORRISON].

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Mr. MORRISON of Washington. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise today in strong opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. During the 99th Congress, I voted against similar legislation as well as supported the President's veto of the bill. Nothing has significantly changed in the last year that has convinced me to change my mind this time around.

In fact, the domestic textile industry seems to be doing relatively well. Employment is up—profits are up—wages are up—compared to last year's levels. The United States has also completed its bilateral negotiations, under the Multifiber Agreement, with its Far Eastern trading partners—Korea, Taiwan, and Hong Kong. Compared to the struggle my constituents face in a district so dependent on agriculture, I would have a difficult time supporting legislation designed to further protect an industry that seems to be in relatively good health.

More importantly, passage of this bill sends a dangerous political message to our trading partners in the world who will be encouraged to retaliate by closing their markets. U.S. agricultural exports will be the first to feel the doors shutting. U.S. agriculture, not to mention the U.S. economy, cannot afford this—especially since export markets provide a potentially profitable future for U.S. farmers if expanded and developed.

For Washington State especially, retaliation signals a devastating future. The Fourth District in Washington, which I represent, has been increasingly dependent on foreign markets for their exports. Our Pacific Rim trading partners, as a result of our farmers' marketing efforts, have demonstrated a committed interest in opening their markets to our products. Protectionist legislation at this point of the cycle would have a costly effect, damaging positive and progressive efforts targeted at adjustment to the international economy of the future. Washington State provides a demonstration of the success in store if our export markets are allowed to respond to market forces in a fair trade environment.

Apple, potato, Timothy Hay, and wheat growers are a few examples of the commodity groups that have been very successful at educating consumers in the Pacific Rim of the quality of Washington State agricultural products. These markets have grown, and continue to grow. The success in developing these markets overseas has served as a model for the future of American agriculture and has been allowed to prosper in an environment where international trade has been encouraged.

In Washington State, agriculture is the No. 1 industry, worth $3.3 billion to the economy. Since many of our products are grown specifically for the export market, the Northwest has grown crucially dependent on international trade. Commodities totaling $1.2 billion move through Washington State ports, creating many agriculture-related as well as ag-dependent jobs. Finally, 5 billion dollars' worth of processed foods are exported abroad. Together these efforts have made 1 in 5 jobs in Washington State dependent on international trade. The textile bill threatens this profitability.

I think it's time that the United States take on the challenge the international economy brings rather than continue to protect domestic industries for historic, political, and emotional reasons. Washington State agriculture has met this challenge face on and can serve as a model to the rest of the Nation. This is much more positive for the U.S. economy in the long run.

Closing markets has never been a productive or efficient answer, as history taught us in the 1930's. If we pass the textile bill today, we do so at the direct cost of farmers, consumers, and America's economic health. I urge my colleagues to reject the move in this direction and vote against H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GAYDOS].

Mr. GAYDOS. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I have heard repeatedly on the floor of the House, "I was doing other things, I could not be here."

There is a supposition and a principle involved here that we have to modernize American industry, because they cannot compete internationally; and forget about unfair subsidization, border taxes, and equalization taxes, the suits that we have had.

There has been repeated fining, subsubstantial fines at one time or another, never collected, though, foreign countries being fined for evading reasonable requirements under the international agreements, dumping into this country, the whole lot of things which we on the steel caucus have lived with over the last 10, 12, 15 years.

I see the same thing happening to the textile, apparel, and the footwear business that this particular legislation is trying to help.

Let me make this one point. It has been said that we have to modernize. Everybody knows, and this is true from the Nixon administration all the way through President Ford and through President Carter, and up until the present President, who has extended limitations on specialty steel coming into this country, all those Presidents have done that.

We have been respected internationally as the most modern specialty steel industry in the world, no question about it. Yet, they cannot compete, and every one of those Presidents had to put a limitation on imports coming in. There is a reason for it.

The specialty steel industry has modernized. Japan recognizes it; everybody does. Yet that most modern industry cannot compete internationally. Why? Because there are unfair trading practices going on.

I just want that particular point to be clear on record, and that is a bunch of baloney, for want of another term, that we are not modern. Yes, sure we have nonmodern and nonrefurbished mills in existence. That does happen, but that is not the principle involved, and that is not the answer.

I wish I had more time, and I urge my colleagues to support this bill. It is very important or the textile people and the footwear people and apparel people will follow what the steel industry has done, and that is to cut their production in half.

I have lost 30,000 steelworkers in my district and a lot of other places have, too.

Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. I believe that Congress needs to control textile, apparel, and nonrubber footwear imports to prevent further disruption and job losses in these important U.S. industries.

I know about the negative impact of imports. I know that imports cost workers' jobs and disrupt industry, and I have seen the effects of uncontrolled steel imports on America's steel industry.

In my district near Pittsburgh, 40,000 steelworkers have lost their jobs in the last 10 years, and my hometown of McKeesport is still suffering from an unemployment rate of over 9 percent—3 percent higher than the national average.

As the chairman and a founder of the Congressional Steel Caucus, I know that the Pittsburgh steel industry isn't the only one that's suffering from low-priced foreign steel. Wherever Americans make steel, they are affected by the flood of foreign steel, which now captures about 23 percent of our domestic market.

And, like the steel industry, imports are now battering the U.S. textile, apparel, and footwear industries.

The most recent trade figures show record-breaking levels of imports, including a 7-month trade deficit in textiles and apparels of $16.8 billion.

Last year, these imports also contributed over $21 billion to the U.S. trade deficit, and this year's figures will be even worse.

Imported footwear captures an incredible 81 percent of the U.S. market, and Taiwan alone manufacturers 37 percent of all of the footwear sold in the United States.

Last month I was in Taiwan and I learned a great deal about why their businesses are so successful. The Taiwanese Government offers very special privileges to their exporters, including duty-free importation of raw materials and manufacturing equipment as well as reduced tax rates. In addition, Taiwanese workers don't enjoy the freedom to bargain collectively, and so their wages are much lower than those of their counterparts in the United States.

Madam Chairman, the same unfair trading practices which have hurt the U.S. steel industry are about to eliminate our textile, apparel, and footwear industries. I urge all of my colleagues to control the damage before it's too late. I urge you to support H.R. 1154.

Mr. SCHUETTE. Madam Chairman, today the House is considering the second major piece of trade legislation to come before this Chamber in this session of Congress. I will support H.R. 1154, because I believe it is a reasonable and measured response designed to put the lid on an ever rising tide of foreign textile, apparel, and footwear products into this country. Since 1980, imports in these industries have more than doubled, and I urge my colleagues to join with me and the more than 250 cosponsors of H.R. 1154 to support this important measure.

I do so because this legislation involves much more than a simple esoteric question about what to do to address our Nation's burgeoning trade deficit. It is about dealing with a national tragedy that has robbed an estimated 400,000 Americans and their families who once worked in these industries of their livelihoods.

In my district, I have 400 reasons in Big Rapids, MI, to vote for this bill. It is a vote for 400 people and their families who receive their daily bread from a footwear manufacturing facility in that city. Unfortunately, for the people of Ithaca, MI, this bill comes too late. Last year, 1986, marked the end of a 3-year tragedy of a plant closing that cost more than 250 10th District residents their jobs. It robbed the fragile farm economy of Gratiot County of an almost $350,000 annual payroll, and cost the people the benefit of services bought with $35,000 in property taxes.

In many ways, those workers, their families and their neighbors know firsthand what many of us are speaking about here today. I for one believe these hard-working Americans deserve a chance to compete and earn a living. I ask that my colleagues to give full consideration to the nearly 2 million Americans, their families and their communities who today depend on these industries. Having done so, the only choice is to vote for fairness and reciprocity in world markets on behalf of these industries.

If the House fails to pass this bill, I believe we will be turning our backs on these deserving Americans. We will be ignoring Americans and their families in difference to modern sweat shops in far away lands where workers earn only a very small fraction of what is considered a barely livable wage by our Nation's standards.

Make no mistake, the question of what to do about our soaring trade deficit and how to reduce the increasingly dangerous loss of U.S. jobs to overseas producers is a highly complex, often times confusing matter. Particularly difficult is the unenviable balancing act of accepting the challenge of addressing the job-robbing increase textile, apparel and footwear imports without crossing the always unclear line of protectionism. Indeed, this effort represents an exercise in deft policymaking of the highest order for this body.

Because of these complexities, there can be no doubt that H.R. 1154 is far from a perfect bill. I personally have reservations about many provisions and aspects of this bill. In particular, we must recognize that the enormous trade deficit is a product of more than just unfair trade practices. Other factors that can be directly traced to job losses include a strong U.S. dollar—largely because of macroeconomic policies and international economic developments—and an unprecedented

amount of investment in automation by these industries.

Therefore, leveling the playing field through the passage of H.R. 1154—perhaps in combination with H.R. 3—will at best provide only temporary and partial relief. In a broader sense, this legislative effort must also be accompanied by a thoughtful change in our country's fiscal and monetary policies, designed to both reduce the Federal budget deficit and promote stability in international monetary exchange rates, if we are to be successful in meeting our policy goals.

I also am concerned by the possibility that this measure will substantially reduce customs duty revenues—by an estimated $3.9 billion over the next 5 years—and that this bill may provoke retaliation on the part of our trading partners. This possibility is particularly worrisome from the standpoint of our Nation's agricultural producers and exporters. Far too often, our Nation's farmers have been punished in international export markets as this Nation pursues other nonagricultural policy goals.

Not surprisingly, H.R. 1154—like H.R. 3 before it—is a very emotional issue. It has often been the subject to misinformation. On one side, the textile and apparel industries are once again seeking "temporary" restrictions on imports, despite almost three decades of protection. At the same time, it is misleading to portray this industry as a coddled industry, one that is a picture of economic health because it is experiencing record profits and is operating at 90-plus percent of capacity.

The fact of the matter is that I take little comfort in the fact that more than 50 percent of our domestic textile and apparel demand is served by manufacturers located abroad. In addition, reports that U.S. producers are utilizing nearly all of their capacity, fails to properly take into consideration that this industry's capacity has been reduced by nearly 10 percent—in part due to numerous plant closings—over just the past 5 years.

It is ludicrous to suggest that "free trade" exists today in the global textile and apparel industry. Few, if any, of the roughly 170 countries who export to the United States engage in "fair trade," much less free trade. Those who suggest that there is reciprocity in these industries, are at best, selectively filtering the facts. At worst, they are intentionally looking the other way. I for one do not intend to look the other way when it comes to American textile and apparel workers.

Perhaps the most overlooked aspect of H.R. 1154, however, is the crisis in our Nation's footwear industry. A total of 9,600 jobs were lost in the footwear industry in 1986 under the pressure of the never ending onslaught of foreign imports. Production fell by 9 percent as we imported a record 941 million pairs of nonrubber shoes. As a percentage of the U.S. market, imports claimed more than 80 percent of U.S. footwear demand, and most importantly, 70 communities around this Nation—1 of which was Ithaca, MI—had to endure the tragedy of a footwear plant closing its doors forever under the pressure of these imports.

Moreover, these alarming figures show no signs of ebbing. Through the first 6 months of 1987, another 19 factories have closed, and production has fallen by 11 percent. Nonrubber footwear imports have risen by 3 percent so far this year over last year's record level, and foreigners now claim almost 83 percent of the U.S. market.

With H.R. 1154, we are telling our trading partners that enough is enough. We are saying that more than half of our textile market and 83 percent of our footwear market is all that we can afford to have go overseas. It is about putting an end to the lack of reciprocity and unfair trading practices that are so pervasive in these industries around the world today.

Given an even playing field, America can compete. H.R. 1154 gives the American textile, apparel, and footwear industries a total of 10 years to become competitive. The industry says it can compete, if only given a fair and reasonable opportunity to do so. I for one take them at their word and want to give them a chance.

But perhaps even more important than giving these victimized companies a chance is the question of giving the hard-working Americans and their families who derive their livelihoods in these and dependent industries a chance. I want to be on record as saying that they deserve nothing less than the opportunity afforded under this bill. I, therefore, urge my colleagues to support H.R. 1154, and pass this urgent measure into law during the current session of Congress.

Mr. FAWELL. Madam Chairman, the textile and apparel industries do not need the protection provided under H.R. 1154. Several factors exist which do not merit the establishment of global import quotas on textiles, apparel products, and nonrubber imports.

The textile industry has made great economic strides during the past few years. Contrary to what proponents of H.R. 1154 would have us believe, the textile industry is not on the brink of economic ruin. Domestic textile and apparel production increased by 10 percent and 3 percent, respectively, in 1986. Textile industry profits dramatically rose by 67 percent in 1986. On the trade front, textile exports increased 13 percent in 1986 and apparel exports increased 18 percent.

Capacity utilization, a good indicator of any industry's economic performance, was a remarkable 95 percent in the first quarter of 1987—well above the 81-percent capacity utilization for all other industries. Textile and apparel employment is also up. During the period of January through July of this year, employment increased by 25,000 over the same period last year.

The unemployment rate in the textile and apparel industry is about 3 percent—the lowest level since 1968. A major problem today in the textile industry is not unemployment, but labor shortages. The Journal of Commerce recently reported that North and South Carolina textile firms are having a difficult time filling jobs. According to the Journal:

> Plants that once limped along on three- or four-day-a-week schedules are now bursting at the seams with orders. Practically all segments of the industry—denim, fleece, and yarn—are enjoying healthy sales.

The Journal also reported:

> The search for workers can be frustrating in areas like Gaston County, North Carolina. In Gaston, which leads the state in textile employment, the jobless rate is low (4%), and mills are competing with other thriving industries for workers.

Why then does the textile and apparel industry clamor for import protection? Unfortunately, this is not clear. What is clear, however, is that someone else will foot the bill for the tremendous costs associated with quotas on textile and apparel. That someone, of course, is the American consumer.

The International Business & Economic Research Corp. [IBERC] estimates that H.R. 1154 would add $10.4 billion annually to consumer costs at the retail level. According to the Institute for International Economics, this cost increase is on top of the $27 billion consumers already pay each year to protect the textile, apparel, and footwear industries.

If H.R. 1154 is approved, a family of four would pay $617 annually for the cost of protecting the textile, apparel, and footwear industries. These costs would fall hardest on low-income families. Textile and apparel protection already costs the poorest 20 percent of American families 3.6 percent of their income, compared to 1 percent for middle-income families. Emptying the pockets of consumers to protect industries which are economically quite robust is insidious.

Consumers, however, are not the only losers under this quota bill. The IBERC estimates that 52,000 retail jobs would be lost due to decreased consumer spending on textile products, apparel, and footwear whose prices would be inflated by quotas. Incredibly, 5,000 more jobs would be lost in the retail sector than would supposedly be "saved" in the textile and apparel industries.

Often overlooked in the debate on this legislation is the Government protection already provided to the textile and apparel industries. In fact, these industries are the most heavily protected of all American industries. The multifiber agreement, which was supposed to be temporary, has been renewed three times since its enactment in 1974. The most recent extension, agreed to in 1986 among 53 countries, is the most restrictive MFA ever negotiated. The 1986 renewal extended the MFA to cover practically all fibers, such as ramie, linen, and silk blends.

The administration has also negotiated tough bilateral agreements that are more restrictive than the MFA. Bilateral agreements with Hong Kong, Taiwan, South Korea, and Japan limit their import growth to 1 percent annually. Agreements reached with smaller suppliers, such as India, Pakistan, and Malaysia, limit their textile and apparel exports to 6 percent annual growth.

When will the textile and apparel industries be satisfied with what they already have? One thousand five hundred quotas cover 80 percent of all low-priced exports. Tariffs on textile and apparel imports average 18.6 percent—much higher than the 3.6-percent tariff on all other imported products.

Congress must also take into account the effect this legislation would have on our trade relations. According to the U.S. Trade Representative, H.R. 1154 would: "violate the MFA by unilaterally imposing global quotas. It would breach the safeguard provisions of GATT by

indiscriminately granting permanent protection to a huge array of textile and footwear products without a product-specific determination of serious injury. And the bill would set global quotas at levels that would force us to abrogate a host of bilateral agreements. What better way to destroy our international credibility."

This quota bill obliterates U.S. obligations under existing trade laws in such a way that will no doubt result in retaliation. In Illinois, where manufacturing and agricultural exports are vital to the State's economy, retaliation will be painfully felt. Furthermore, our efforts to seek GATT reforms at the Uruguay round of trade negotiations will be undermined if we enact GATT-illegal legislation such as H.R. 1154.

Finally, H.R. 1154 is not cost-free to the Government. Because the United States will have to compensate trading partners for import restrictions which adversely affect them, the bill reduces tariffs on textile and apparel imports by 10 percent. These tariff reductions will cost the U.S. Treasury $3.9 billion over 5 years.

Our trade laws should only be used to remedy unfair trade and prevent serious injury to domestic industries. The textile and apparel industries, presently enjoying robust growth, have not demonstrated that they have been seriously injured by increased exports. My colleagues should reject attempts by advocates of H.R. 1154 to manipulate our trade laws to provide even greater protection to the heavily protected textile and apparel industries.

Mr. DENNY SMITH. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. We can no longer afford to stand on the sidelines and hope that our record trade deficits will disappear on their own. We are moving into a new era of world trade, and we must do what we can to guarantee free and fair trade for everyone.

My decision to cosponsor and support this measure was a difficult one. I voted against similar legislation during the 99th Congress, and I voted against H.R. 3, the "omnibus trade bill," because many of their provisions were counterproductive to the problem. I also voted against these measures, in large part, because of assurances by the administration and our trading partners that they would do better in enforcing our bilateral and multilateral agreements. We were told that everything possible was being done to open foreign markets to our goods and services, much in the same way that we have operated for years.

But what we have seen over the past few weeks are new records being set in our quarterly trade deficits. We can not get Oregon potatoes into Korea, or Oregon beef into Japan. Today, in Japan, a major exposition of new audio and viewing systems to be sold in the United States has opened. The Soviet Union is trans-shipping textiles into this country in increasing numbers. And Sri Lanka, located in the balmy Indian Ocean, has become one of the leading exporters of sweaters to this country. We seem to have lost control of our trade situation in much the same way that the Congress has lost control of the budget process, and we will pay an enormous price unless something is done.

H.R. 1154 is not a perfect bill, and it was a difficult decision on my part to support it. There is a great deal of pressure to oppose this legislation.

But when I ask the opponents of this legislation what their alternatives are, they don't say much. I hear of our multilateral and bilateral agreements and ongoing negotiations. Yet, these agreements have been, and continue to be, violated on a regular basis. I heard from the administration that we would resolve this problem if we were able to bring down the value of the dollar. We now hear that any further drop in the value of the dollar threatens our own economy. I keep hearing on the floor of the House that we will reduce our budget deficits. But CBO and OMB have just said that our inability to control spending will cause a dramatic increase in our deficit over the next 2 years. I hear of the fear of retaliation against our products. I don't think that our trading partners will be so quick to turn their backs on their best customers.

Madam Chairman, we can no longer afford to wait for more broken promises. No matter what trade legislation comes before the House, there will be the threat of retaliation. While we must be wary of that threat, we can not let that fear dictate our policy or bully us into inaction. If we are to address our trade deficits, then we must do it by taking actions, not relying on others. We have to address all of the causes of the problem, including unfair practices.

This legislation is GATT and MFA legal in that it does not target countries like the Gephardt amendment. It allows for an increase in imports of textiles and apparel in accordance with signed agreements. It allows the President to compensate those countries that may be hurt as a result of our actions.

Most importantly, it sends a message to the administration and our trading partners that the time for talk has passed. We can no longer stand by and let rhetoric dictate policy. Our trading partners must live up to the agreements they signed after negotiations. The White House must use the regulations already legal under GATT and MFA to look out for U.S. interests at home and abroad.

H.R. 1154 is not a perfect bill; no trade bill is. People on both sides of this issue have come up with widely conflicting numbers to prove their point. But if more of these individuals would turn their attention and efforts toward addressing the problem than belittling the possible cures, then perhaps the problem could be solved.

Mr. LIGHTFOOT. Madam Chairman, today we are being asked to enact a global quota on imports of virtually all textile products. A number of arguments have been raised in support of such a quota, including the need to save American jobs, the need to preserve our manufacturing base for national security, and need to halt the loss in revenue caused by imports displacing domestic production. I am not unsympathetic to these concerns. But while restricting imports may seem a remedy, I cannot help but believe that such protection is shortsighted. This legislation does not solve our trade deficit problems.

The textile industry currently has more quotas on imports than any other domestic industry—there currently are over 1,400 quotas in place covering approximately 80 percent of the textile industry. Tariffs and quotas now raise imports costs by 25 percent for textiles and, in some cases, 50 percent or more for apparel.

Meanwhile, textile and apparel industries, according to William Cline, a senior fellow at the Institute for International Economics, "have not experienced major declines in production. Profits relative to capital have been consistently high in apparel, and profit rates were above the manufacturing average in textiles in 1986 as well."

Also of concern to me are the provisions of H.R. 1154 which would violate our existing trade agreements. According to my respected colleague, the gentleman from Florida who is the chairman of the House Ways and Means Subcommittee on Trade, in a letter to Members of the House of Representatives, "This bill will flagrantly violate U.S. obligations under various international agreements." Many of the 40 or more bilateral agreements we have with other countries would be violated if we enact H.R. 1154.

The August 7, 1987, Wall Street Journal, in its quarterly survey of industry earnings began its report on the textile industry stating,

> * * * profits were up an average of 33 percent in the second quarter of 1987 over the same period in 1986. This is the same industry in which profits soared by over 100 percent for the largest textile manufacturers in the first quarter of 1987 over the same year-earlier period.

This information was circulated the other day in a "Dear Colleague" letter from members of the House Ways and Means Committee.

As well, U.S. Labor Department statistics show that in July alone, apparel industry employment grew by more than 20,000 jobs over the previous month. In the textile production industry, 6,000 new jobs were created in July. Furthermore, an article in the Durham Sun newspaper in Charlotte, NC, cited a shortage in workers in the textile industry. The chairman of Stowe Mills in Gaston County, NC, was quoted as saying, "There's just more jobs than there are people * * * we're running at 100 [percent] capacity."

As a representative of the second most rural congressional district in the country—a district heavily dependent upon agriculture and agricultural exports—I also must be concerned about the impact of reducing imports from our best agricultural trade customers. Those nations most severely affected by this bill are our largest customers of commodities. When their exports, and thus their earnings are reduced, they have less capability to purchase our exports.

Let me say once again: I am not unsympathetic to my constituents and others who are employed in the domestic textile and apparel production industry. I certainly understand that people want to keep their jobs. However, I can see nothing in this legislation that will, over the long term, preserve their jobs. It is a temporary restriction that does not prescribe a remedy for increased U.S. competitiveness in the international arena. In my view, H.R. 1154 would create more problems than it would

solve. I cannot in good conscience support the bill.

Mr. RAHALL. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. There are those who argue that this bill is a protectionist measure; I would point out to them that the intent of the bill is to ensure the fair treatment of American workers who are victims of an international marketplace which is often neither free nor fair. How can we expect the U.S. textile, apparel, and shoe industries—among the most productive and efficient in the world—to compete against foreign nations that provide government subsidies to export industries, pay workers incredibly low wages and impose severe restrictions on imports from the United States? I feel that it past time to intervene on behalf of American workers—including many in my home State of West Virginia—who are steadily losing their jobs due to foreign imports while the products they make are excluded from foreign markets.

It is exceedingly clear that negotiations and bilateral treaties have been inadequate to deal with the problems caused by unfair foreign trade. The current administration has failed miserably to enforce the multifiber agreement and to respond to foreign violations in a timely manner. Although the MFA was intended to hold growth in imports from developing countries to 6 percent each year, since 1980 imports have grown an average of 17 percent every year. Additionally, the 1986 renegotiation of the MFA by the administration has proved no relief and, in fact, has allowed textile and apparel imports to increase.

The authors of H.R. 1154 have worked hard to ensure that the bill is nondiscriminatory and consistent with international trade laws and U.S. trade obligations. There have been four major changes made in the legislation to address concerns expressed last Congress. The bill sets global limits rather than country-specific limits to eliminate the possibility of discrimination against any individual country. The bill does not reduce imports but does reduce the rate of import increases. The bill authorizes the President to compensate foreign suppliers for the import restrictions by cutting tariffs on textiles, textile products, and footwear. The threat of foreign retaliation, therefore, has been eliminated with compensation directly provided for in the bill. Finally, this version of the bill provides the administration with greater flexibility: As long as a 1-percent growth level is maintained for each product category, the administration is completely free to determine how to apportion the quotas.

To reiterate, the U.S. textile, apparel, and footwear industries and workers desperately need this legislation. If steps are not taken to restrain imports, we will continue to lose out to foreign firms and this country will be left without a domestic textile and apparel industry. I urge my colleagues to support H.R. 1154 and to help the workers of this country who are desperately trying to hold onto their jobs and way of life.

Mr. ROEMER. Madam Chairman, I would like to make my constituents in Louisiana and my colleagues in the House of Representatives aware of my support for H.R. 1154, the Textile and Apparel Trade Act of 1987. I should have been listed on the bill as a cosponsor, but my name was inadvertently left off.

As you know, I voted for last year's version of this legislation which passed both Chambers of Congress but was vetoed by the President. Since then, we have had an opportunity to address some of the objections voiced last year and substantially clean up the textile and apparel bill. Three provisions of H.R. 1154 that make it more palatable are: First, it established global, not country-by-country, quotas; second, the limits would restrict the growth of textile and apparel imports to 1 percent per year and hold footwear imports to 1986 levels; and third, to protect other American industries and agriculture, it provides the administration with more flexibility and authority to compensate countries for these quotas by reducing tariffs on textiles and textile products.

Since 1981, the United States has experienced record trade deficits as a result of sharply rising imports and falling exports. In 1986 the trade deficit skyrocketed to about $170 billion—four times the $40 billion deficit in 1981.

The U.S. textile, apparel, and shoe industries and their workers are among the most productive and efficient in the world. But they cannot compete against foreign nations that provide government subsidies to export industries, pay workers as little as 16 cents per hour and impose severe restrictions on imports from the United States and other countries.

During the past 7 years, more than 350,000 Americans have lost their jobs to foreign textile and apparel imports, which now control 53.8 percent of the American market. Hundreds of thousands of workers employed in industries which supply and service the textile and apparel industry have also lost their jobs.

The passage of H.R. 1154 is crucial to the long-term economic health of our domestic economy as a whole, not just a specific industry. A recent study conducted by ICF Inc., an economic consulting firm, concluded that enactment of this bill could result in a net gain of 152,000 jobs over a 2-year period. In addition, the ICF study found that the bill would reduce Federal outlays of $500 billion because of lower unemployment compensation, AFDC, food stamps, and Social Security payments and lower Federal interest payments. That's good news to a Congressman from a State that has the highest unemployment rate in the country.

H.R. 1154 is fair. It is fair to consumers, fair to importers, fair to industry and, perhaps most important, it's fair to American workers.

Mr. LAGOMARSINO. Madam Chairman, I rise today in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. This bill is opposed editorially by such diverse papers as the Wall Street Journal and the Washington Post, by members of the President's Cabinet, the chairman of the Council of Economic Advisors, the American Farm Bureau and the National Association of Wheat Growers.

This legislation is a blatant violation of U.S. commitments and obligations under the GATT and the fundamental principles of the multifiber agreement [MFA] and would put a new round of congressionally supported Uruguay multilateral trade negotiations in jeopardy. In addition, it will invite certain retaliation by many of our free world allies threatening thousands of jobs in agriculture, aerospace and semiconductor parts. The United States is still the world's largest exporter and consequently we will have the most to lose in a trade war.

Madam Chairman, many of these countries are important U.S. foreign policy, military, and economic allies. The House should remember that Asia is our largest and fastest growing export market. However, the United States will be unable to sell our products overseas if other nations are denied export earnings. Also, some of these nations are deep in debt to U.S. banks and need to have a sound base for foreign exchange earnings or else increased U.S. foreign aid assistance may become necessary.

This bill will damage fledgling democracies in Central America and help to put in jeopardy our interests there.

This bill will raise the price of clothing and shoes by nearly $37 billion at the retail level over the next 5 years. Low income families would be the ones most affected by the unavailability of low priced imports. Supporters of this legislation say that this is a way to save American jobs and prevent irreversible damage to the textile industry. Textile/apparel industry statistics tend to point in a different direction. Domestic textile production increased by 10 percent in 1986 and apparel production was up 3 percent. Factory utilization in textiles is at 95 percent in the first quarter of 1987. Finally, average unemployment in the main textile States is lower than the national average. It is interesting to note that stock prices of 7 of the largest textile companies were up 76 percent in 2 years.

The textile/apparel industry is already the most highly protected industry in the Nation. It has and will continue to benefit from the Nation. It has and will continue to benefit from the decline in the dollar and improved domestic productivity. I have always felt that it is better to negotiate than legislate and this administration already has negotiated favorable Multifiber Agreement with many of our textile supplier nations.

Madam Chairman, I would remind my colleagues who think that retaliation is not likely, to just ask our wheat farmers about the retaliation they suffered the last time we restricted Chinese textile exports or the computer products industry when we placed a stiff tariff on imported Canadian cedar shingles. I urge my colleagues to oppose this dangerous piece of legislation.

Mr. BORSKI. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act.

Since 1980, foreign textile and apparel imports have more than doubled. Over 350,000 workers have lost their jobs and more than 1,000 plants have been closed. Two million more America textile workers face the unemployment lines unless the tide of imports is stopped.

The Reagan administration has taken little action to stem rising textile and apparel imports. It has not adequately enforced existing agreements or acted aggressively to get other countries to open up their textile markets.

Without the import restraints contained in H.R. 1154, the United States will continue to

lose out to foreign firms and this country will soon be left without a domestic textile and apparel industry.

The Textile and Apparel Trade Act establishes limits on overall imports on a wide range of textiles, apparel, and footwear. It would limit the growth of textile and apparel imports to 1 percent each year, and hold footwear imports to 1986 levels.

H.R. 1154 will send a strong message to our trading partners that we will no longer tolerate the steady erosion of American jobs, industry and economic prosperity. The time to insist on fair trade is long overdue; the time to approve the Textile and Apparel Trade Act is now.

Mr. LAFALCE. Madam Chairman, it is now almost 2 years since the House last voted on textile and apparel legislation. The issue is not going to go away, nor should it. American workers in these industries remain under serious pressure. I share their concerns about the fate of their companies and their own economic future. Despite these concerns, I must continue to oppose this legislation. I can only hope the bill's supporters will try to appreciate the sincere and serious reservations I continue to have about the approach they are advocating.

Proponents argue that the latest bill is substantially different from the one the House previously considered. The legislation's supporters have made a serious effort to address some specific problems. But, in fact, the bill is only superficially changed from the version vetoed by President Reagan more than a year ago. From a policy standpoint, its basic thrust is no less troublesome.

In my view, the solution that is being advanced will not ultimately solve those problems facing the industry or its workers. By papering over serious adjustment problems we cannot continue to evade, the bill puts other more competitive sectors of our economy at risk and places our trading relations with other countries in serious jeopardy.

Let us make no mistake about the kind of solution we are considering—additional protection for an industry that is already the most extensively protected of all American industries. Protection is a very dangerous weapon for us to wield; so dangerous that it must applied, if at all, only with surgical precision. First of all, it must be a time-limited, short-term solution. Second, it must be designed to promote ultimate liberalization of the sector, either through revitalization or humane adjustment programs.

The protection afforded in this bill meets neither of these criteria. What the proponents offer is a continuing program of protection from competitive pressure with no prospect of either revitalization or ultimate liberalization. The bill provides only for a cursory review of the program by the Commerce Department after 10 years. Nothing in the bill would ensure that the industry will be in any better shape, or any better able to adjust, in 1997 than it is now.

Protection is a form of Government benefit. In exchange for that benefit, Government has a right to expect what it got under the Chrysler Loan Guarantee Program—industry action that will ultimately improve the competitive position of the industry and of the U.S. economy as a whole. We will not get such action through this legislation. What we can expect in the future is what we have received to date—requests for more and more protection.

Many words and much paper have been expended on the issue of whether this bill is or is not "GATT-legal." As we might expect, a decent legal argument can be made on both sides of that issue. But legality is not finally the point. The issue is whether this bill is good public policy for the industry and the U.S. economy. I believe it is not.

There is no question that this industry has suffered severely, and will be under continuing pressure. The year 1985 was one of the worst years ever for the industry. It capped a 6-year period in which more than 1,000 plants were closed and hundreds of thousands of people were laid off.

But it is time we acknowledged that some such adjustment has to occur, and will never be easy. The textile and apparel industry is not alone. A wide variety of American industries, ranging from steel and auto parts to semiconductors and computers, are under serious competitive pressure. Such pressure is inevitable as many of our trading partners move up the scale of development.

If we are to compete in the changing world economy, the role of public policy must be to facilitate and reduce the pain of necessary adjustment, not to prevent it. This administration has been seriously remiss in this regard. It was the lax enforcement of the MFA that created the push for this legislation in the first place. This administration has done nothing to ease the transition to other jobs in other sectors through training and retraining programs or to secure health and pension benefits for the economically vulnerable. The "social dumping" by other countries in the form of poverty-level wage rates that make it impossible for us to compete have been given short shrift by our trade negotiators.

This indifference has created the problem. But the answer cannot be a program of protection designed to insulate the industry and ensure a certain number of positions in particular sectors.

THE POSITION OF THE INDUSTRY

It is difficult to argue that the textile and apparel industry is more deserving of protection than other hard-pressed U.S. industries. In many respects, it is actually in a stronger position and has received far more attention from the Government.

In 1985, I warned against the dangers of constructing permanent solutions under changing circumstances. Circumstances have changed for the industry, rather dramatically. Domestic textile production increased 10 percent in 1986, while apparel production was up 3 percent. U.S. textile exports were up 13 percent in 1986 and apparel exports increased 18 percent. Textile industry profits rose 67 percent in 1986. Capacity utilization reached 95 percent in the first quarter of 1987.

Textile and apparel employment has even risen somewhat. Employment figures from January to July 1987 represent an increase of 25,000 jobs over the same period last year. New textile and apparel plants are opening. In fact, the chief problem at the moment is not a flood of imports but rather supply shortages caused by the inability of U.S. industry to keep up with demand for its production.

The U.S. textile and apparel industry now benefits from some 1,500 quotas, covering 80 percent of all low-priced imports, and tariffs averaging nearly 18 percent as compared with 3 percent from all other industies. This makes the industry by far the most protected in America.

When this legislation was under consideration 2 years ago, industry representatives raised legitimate complaints about the lax enforcement and inadquate coverage of the multifiber arrangement [MFA]. I believe that serious efforts have been made to address those concerns.

Last year our Government renegotiated the MFA to extend coverage to virtually all textile and apparel production by including previously-uncontrolled products. We also negotiated bilateral agreements with Hong Kong, Taiwan, Korea, and Japan—countries which supply 40 percent of our textile and apparel imports—which will limit their import growth to 1 percent annually. In addition, the United States concluded agreements with some of our mid-level suppliers, such as India, Pakistan, and Malaysia which limit their textile and apparel exports to the United States to approximately 6 percent annual growth.

We have barely begun to implement these agreements. Yet this legislation presumes their inadequacy and forces the United States into the position of breaching them.

IMPACT OF THE LEGISLATION

In fact, what I find most disturbing about this bill is its cavalier disregard for our international obligations.

Legalisms aside, I believe that common sense argues that this bill clearly violates the spirit of the GATT and the Multifiber Arrangement [MFA] which is itself an exception to the GATT designed to give the textile and apparel industry even greater protection.

It is true that the GATT does contain an "escape clause" provision allowing for protection in cases where a domestic industry is seriously injured by imports and requires time for adjustment. But there are key differences between what GATT would allow and what this bill would effect.

The GATT provision provides for temporary protection; the bill, for permanent, indefinite restrictions. GATT requires product-specific findings of serious injury; the bill covers a sweeping range of products in an array of industries without an injury finding. Import restrictions under GATT must be carefully tailored; the bill provides for the same, constant level of protection for an indefinite period, across product categories. GATT requires adequate compensation; the bill places arbitrary restrictions on the amount available. Under U.S. law, the method for implementing the GATT safeguard provision is a section 201 action. It is a remedy the industry is choosing to ignore.

But the MFA which governs textile trade is itself an exception to the GATT, a structure of protection, which has been negotiated in recognition of the special problems facing this industry. The MFA provides for the negotiation of bilateral import quotas. This bill would violate the MFA by unilaterally imposing global

quotas. And the bill would set those quotas at levels that would force us to abrogate a host of bilateral agreements already negotiated.

The European Community has already indicated that it will take counter measures if this legislation is passed, and others are likely to follow. Some of our most sensitive and competitive export industries, such as agriculture and high technology, would be likely targets for retaliation.

Passage of this bill would also undermine the Uruguay round of trade negotiations and compromise our efforts to use those negotiations to open foreign markets to our exports. Textiles and footwear are among the most important items in world trade—to our trading partners as well as ourselves. We cannot ask others to open their markets when we are closing our own, or to negotiate new commitments with us when we are busily breaking existing ones. We have achieved some hard-won concessions from the developing countries regarding the inclusion of services and investment in the new round, concessions very important to this country's economic future. We can expect the developing countries to take a second look at this issue if we pass this bill.

Finally, we cannot be indifferent to the tremendous impact of this bill on American consumers. Consumers pay $20 billion annually in added costs as the result of higher import prices and induced increases in prices of domestically produced textiles and apparel. The cost amounts to some $100,000 per job saved in the direct production of textiles and apparel. The net costs to the economy are approximately $8 billion annually. The burden of this protection is borne disproportionately by the poor, since many imports are in the low price ranges.

CONCLUSION

In my view, neither the condition of the industry nor the policy goals we should be pursuing would justify enactment of this legislation. That is very regrettable. We have spent considerable time on this issue over the last several years. Yet, while the industry and its workers continue to feel the pain of international competition, we are no closer to a real program of adjustment.

This legislation has failed before, and for good reasons. I believe it will fail again. When it does, I would welcome the opportunity to work closely with the industry to formulate a program that will be truly responsive to the concerns raised about the present proposal and that will work to the ultimate benefit of the industry, its workers, and our economy as a whole.

Mr. DICKINSON. Madam Chairman, I am concerned over the loss of 300,000 textile related jobs since 1980, thus I have cosponsored H.R. 1154 to fight the decline of the textile industry.

This new act is patterned after legislation introduced in the 99th Congress but is a more appealing measure as it complies with GATT rules. It sets quota levels on textile products from all countries, while tying the growth of future imports to the growth of America's domestic textile industry.

We should focus our debate on the importance of fair trade and the ability of American industry to compete with others on an equal footing. In the area of textile and apparel imports, the footing as it exists today is not equal, and foreign nations have taken advantage of American generosity by abusing the provisions of international trade agreements to make raids into the American marketplace.

What is at stake are 4 million direct and indirect textile and apparel manufacturing jobs throughout the United States. The textile industry is a mainstay of the U.S. economy, representing over 5 percent of the total manufacturing work force in 36 States and 10 percent of total U.S. manufacturing employment.

In 1986, the textile and apparel trade deficit was over $21 billion, or 12 percent of the overall merchandise trade deficit. In fact, imports of apparel and apparel fabrics have increased an average of 8 percent annually while the domestic market has increased an average of 1 percent annually since 1973. Since 1982, such imports have increased by 21 percent annually, nearly doubling the share of the domestic market captured by imports to 52 percent in 1986.

To counter the flood of imports, the textile bill fixes the import level of textiles and textile products from all countries at 1 percent over 1986 levels. Imports after 1987 are only allowed to increase by 1 percent each year. Enforcement of limits is assigned to the Secretary of Commerce, who is also required to enforce reasonable spacing of imports throughout each year. In addition, the President is required to report to Congress annually on the administration of the act. Ten years after the act becomes law, the Secretary of Commerce is instructed to begin a review of its operation and report his findings to Congress within 6 months.

This legislation will help the textile industry survive, which will help save jobs and promote economic growth for our own country.

Mr. TOWNS. Madam Chairman, today we again have an opportunity to protect the American labor force. It has been projected that 550,000 more textile and apparel workers will lose their jobs in the next 6 years. These unemployed workers would be in addition to the 300,000 who have become unemployed since 1980. We had an opportunity, today, Madam Chairman, to preserve these jobs for American workers.

The 2 million workers in this industry are largely women and minorities—one-third black, 17 percent hispanic, and 8 percent Asian American. In an industry where 67 percent of the workers are women, we are talking about jobs which support children and families. If imports are allowed to continue unabated, it is fairly clear that these jobs will cease to exist. In the face of last year's agreement to expand South African textile imports and the recent revelations about imports from Iran, we can hardly expect the administration to negotiate stronger bilateral textile agreements difficult to accept the notion that the administration is serious about protecting the interests of our domestic textile and apparel industry.

Where will these workers, these women and men, who represent the working poor in this Nation, find alternative employment? The answer is: There is little chance of entry level jobs replacing the employment offered by the textile and apparel industry.

Madam Chairman, today I hope that we will look beyond regionalism. This is not a bill for the special interests of the Northeast and Southeast; this is a bill for the American worker. Just as many of us consider the family farmer to be a national treasure, I hope that we will view the domestic textile and apparel industry in the same vein. I urge my colleagues, regardless of the local industries' interest, to support H.R. 1154 and protect the jobs of these American workers.

Mr. SUNDQUIST. Madam Chairman, relief for the textile and footwear industries is long overdue. I applaud the House leadership's tenacity in bringing this important legislation to the floor today.

Madam Chairman, hundreds and hundreds of jobs have been lost in west Tennessee and middle Tennessee in textiles and footwear. And hopefully this legislation will preserve the remaining jobs that are currently in jeopardy—and might revitalize the industries so that those who have lost jobs can return to work.

As chairman of the Republican Task Force on International Trade, I take no pleasure in fighting the President on this issue. I agree with the President's goal of free and open trade. But unfortunately the administration has not aggressively enforced existing trade laws to prevent unfair practices and assist with temporary import relief.

We have lost 37 percent of our footwear jobs since 1981—and the unemployment rate in the industry averaged 15.4 percent—almost three times the national average! Imported footwear currently holds 81 percent of the total domestic market, compared to 51 percent in 1981. We've lost a whopping 30 percent of marketshare in just a few years to foreigners. Because of this, 308 shoe factories have shut their doors in the past 6 years—70 of these in the last year. Half the footwear factories in my district alone have been closed.

Nonetheless, the President made a decision in 1985 to decline relief for the industry, even though there was a unanimous injury determination by the ITC. Clearly the trade law system on the books is not working for American footwear and textile workers.

After countless efforts—the textile industry filed 21 antidumping and countervailing duty petitions—without one positive finding in their favor.

Since the system is not working, it is totally appropriate for this body to intervene with H.R. 1154—to make our own injury determinations for footwear and textiles, and grant the relief that the administration has refused. H.R. 1154 is completely consistent and justified according to the trade laws that have existed for 13 years.

In 1974 Congress passed, and the President signed into law, the trade laws under which U.S. trade policy has since been operating. For the last 13 years, we have had a law on the books—section 201—which sets guidelines for import relief under certain injury findings.

Specifically, section 201 states that it's purpose is "for import relief for the purpose of facilitating orderly adjustment to import competition * * * which may include such objectives as facilitating the orderly transfer of resources

to alternative uses and other means of adjustment to new conditions of competition."

For some unknown reason, the administration has chosen not to enforce or apply this law—as it was intended—in the cases of footwear and textiles. Therefore, this body is justified in making an injury determination on its own—it is our responsibility to enforce the intent of the trade laws where the administration has failed to.

Footwear is the most blatant example of this administration's refusal to apply section 201. The 201 system was brought to its knees with the President's choice to overrule the ITC's 4-to-1 decision for relief. What is the point of having the relief language if it is never going to be used? What is the point of having the 201 system if it can be overturned on a whim after the judicial process?

I submit to this body that had our original trade laws been enforced to their fullest and proper extent—we would not be facing the trade crisis we are today.

Of the 65 201 petitions which have been initiated since 1974 only 12 have been granted relief. I can only wonder why the executive branch is so reluctant to provide temporary breathing space—which is entirely within the legal context of GATT and the intent of the law—when other countries are so blatant with their unfair trade practices. This is not a question of carrying a big stick, or protectionism, or even fair trade—it's a question of enforcing the laws of this country!

It is not necessarily important to argue any more why the footwear and textile industries are in trouble—or who is at fault. What is important is to grant fair and reasonable—and long overdue relief. It is critical that this body implement the intent of the law by passing the Textile and Apparel Trade Act of 1987 today.

Mr. EDWARDS of California. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987 and urge our colleagues to vote in favor of it. I commend the distinguished gentleman from South Carolina, BUTLER DERRICK, for his leadership on this important issue.

Madam Chairman, the solution to the trade problem we find ourselves in requires leadership and hard work. H.R. 1154 embodies those tools necessary to make the tough decisions to attack this very difficult issue.

H.R. 1154 represents fairness. The 2 million American workers in the textile industry need a fair chance to make a decent living for their families. They deserve the right to know that hard work and productivity will translate into job stability.

H.R. 1154 does not single out specific countries. It sets global limitations in a nondiscriminatory manner. This comprehensive, generic approach reintroduces fair trade in the relationship between domestic manufacturers and our trading partners.

This measure is consistent with our international treaties and compacts, fulfilling our obligations both at home and to other nations.

Madam Chairman, I reiterate my strong support for H.R. 1154 and urge my colleagues to give this legislation their full support.

Mr. COURTER. Madam Chairman, Congress is once again being asked to consider legislation that would address the textile and apparel import problem. This year's bill contains very few changes from last year's highly protectionist measure. There are numerous reasons why I cannot support this latest bill. First, during the 1980's, New Jersey has added 179,000 jobs in the trade sector. There are a total of 859,000 trade jobs, which makes trade the second largest job sector in my State's economy. The New Jersey area has become a major distribution center for both domestic and imported apparel, textile, and footwear products. This important and growing job sector would be threatened by a wave of protectionism that legislation such as this would certainly unleash.

Second, 33 percent of all U.S. textiles, apparel, and footwear imports passed through the New York-New Jersey region's gateway in 1986, 13 percent of the region's total sea and air import trade are textile, apparel, and footwear products, and 25,200 jobs and over $1 billion of the gross regional product is generated by this aspect of our trade. While reduced imports would have a positive but limited impact on the region's apparel, textile, and footwear manufacturers, a reduction in imports would likely undermine the wholesaling position of the region and likely lead to a loss of employment in the apparel and textile wholesaling industry. Further, of the region's 10 leading trading partners, including both Asia and European nations, 9 are among the largest exporters of textiles, apparel, and footwear to the region.

Third, restrictions on imports will lead to higher costs to regional consumers. Census estimates indicate that in 1986 regional retail sales of apparel and shoe stores amounted to approximately $7 billion or 9.2 percent of national retail sales of apparel and shoe stores. Between 1980 and 1986, as the value of the dollar rose, the total national CPI rose by 33 percent while the prices of apparel commodities increased by only 12 percent. Finally, in the New York-New Jersey region over the same time period, while the total CPI grew by almost 37 percent, the prices of apparel commodities grew by less than 6 percent.

In real terms, prices for apparel commodities in the region dropped by 30 percent, as the strong dollar led to increased imports of foreign apparel.

Mr. FIELDS. Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987.

I do not oppose the textile bill because I am insensitive or uncaring. I care about the textile workers in this country. But, I also care about the families struggling to feed, clothe, and educate their children. Many families simply cannot afford the higher clothing and shoe prices the textile bill will bring.

I care about the chemical workers in the 8th District of Texas. The textile bill's global import quotas are in clear violation of the General Agreement on Trade and Tariffs. If the textile bill becomes law, foreign nations will retaliate and chemicals will be a target of that retaliation.

In 1986, chemicals topped the list of United States exports to Europe, Canada, China, Taiwan, South Korea, Hong Kong, Japan, Mexico, and many other nations. The chemical industry is one of the few major industries in which the United States still has a positive trade balance worldwide. My district and much of the Texas gulf coast area depend heavily on the chemical industry. Neither Texas nor the Nation, as a whole, can afford to lose chemical markets abroad.

Chemical workers will not be alone in feeling the effects of foreign retaliation. Dock workers at the Port of Houston, which I represent, will feel the sting of foreign retaliation, too. Organic chemicals, in dollar value, are the top exports through the Port of Houston.

Grain and grain products rank third in dollar value and first in tonnage among items exported through the port. Agricultural products will certainly be targets of foreign retaliation, too. American farmers along with dock workers, railroad workers, and others whose jobs are linked to farm products will suffer.

Does the condition of the textile industry merit the costly protection contained in this legislation? I believe the answer is clearly, "no." The textile industry is already the most protected industry in the United States. Tariffs on textile products average 18 percent compared with a 3-percent average for other industries' products. Eighty percent of all textile imports are covered by an incredible 1,500 textile and apparel quota agreements. Textile quotas already cost the consumer $27 billion per year. This legislation would force consumers to pay another $10 billion per year.

Unfortunately, many textile workers lost jobs in the early 1980's. However, modernization shared the blame with foreign competition as a major culprit in those textile job losses. Despite the difficult years of the early 1980's the textile industry began to improve in 1985. In 1986, domestic textile production rose 10 percent. Unemployment among textile workers fell from 9.9 percent to 7.5 percent. Capacity utilization rose from 84 percent in 1985 to 91.4 percent in 1986; textile profits skyrocketed 67 percent.

In the first quarter of 1987, textile capacity utilization rose, again, to 95 percent. Twenty thousand new textile jobs were created and unemployment fell to 6.9 percent. First quarter 1987 profits for the major textile manufacturers soared 100 percent over 1986 first quarter profits.

I cannot vote for legislation which would force American families to pay billions more to clothe their families while textile industry profits are soaring. I cannot vote for legislation which could cost the jobs of chemical workers, of farmers, of railroad workers, of dock workers, and many others when jobs in the textile industry are increasing, not decreasing.

Madam Chairman, the textile bill is the wrong solution at the wrong time. I urge my colleagues to vote against this unwarranted protectionism.

Mr. GILMAN. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. I thank the gentleman from South Carolina [Mr. DERRICK] for introducing this necessary legislation and for his fine work as chairman of the Congressional Textile Caucus, of which I am a member. I would also like to thank the Textile Caucus vice chairman, my distinguished colleague from New York, Mr. HORTON, for his tireless efforts to preserve the vitality of domestic textile industries both in our home State of New York and throughout the Nation. Finally,

Madam Chairman, I commend the distinguished gentleman from Massachusetts [Mr. MOAKLEY] who, as chairman of the House Footwear Caucus, has skillfully lead the effort to assist that manufacturing community which is so important to the economies of the Northeastern States.

H.R. 1154 has been characterized by its opponents as benefiting only a small particular special interest. Madam Chairman, the facts do not bear out this argument. H.R. 1154 is fully endorsed by groups as diverse as the United Auto Workers and the National Farmers Union. Legislation similar to the one before us now was passed by the Congress last year. The current version of H.R. 1154 has been amended to conform with objections raised at that time, and I believe that it is a better bill than the one we passed a year ago. The support of 242 of my colleagues, all of whom have joined me in cosponsoring H.R. 1154, attests to the support for this legislation not only throughout the Congress but also throughout the country.

Textile industries are highly important to our economy, In recent years, these industries have been under attack from the rising surge of foreign imports. In the domestic footwear industry, for example, production of nonrubber footwear has fallen to an 18-year low of 241 pairs per year. Imports to the United States have meanwhile risen to an 18-year high of 941 million pairs per year, enough to capture 80 percent of the U.S. nonrubber footwear market. In 1985 alone, 58 nonrubber footwear factories closed throughout the country. At least one of these factories, Middletown Footwear, Inc., was in my own 22d Congressional District. In 1986 the number rose to 70 closings, and there were another 19 during just the first half of this year. The Congress cannot permit this process to continue. It may be too late for the 15 production workers at Middletown Footwear, but it is not too late for the 6,000 footwear employees throughout New York, and the more than 80,000 employees throughout the Nation.

Madam Chairman, I have described the detrimental effects of excessive foreign imports only in one segment of the textile industry. My colleagues will undoubtedly furnish examples from other segments of the market and their own congressional districts. Suffice it to say that it is well past time for Congress to recognize the inherent inequities which smother productivity in our domestic textile industries. It is past time for Congress to ensure effective competition in the world marketplace. It is past time for Congress to enact the Textile and Apparel Trade Act. Accordingly, I urge my colleagues to vote in favor of this legislation.

Mr. TALLON. Madam Chairman, recently I was shocked and dismayed to learn that our Nation continues to grant most-favored-nation status to Iran. And that same morning headlines reported yet another mining incident further jeopardizing our soldiers in the Persian Gulf. The irony is bitter and inescapable.

We must put an end to this crazy sequence. It's quite possible that Iranian ships bringing into this country have literally steamed past United States warships filled with United States servicemen headed to the Persian Gulf to protect access to the Western world. Now who is the greater fool?

I believe it is high time we came to our senses. That is why I am joining in support of legislation introduced by Congressman RICHARD RAY and ED JENKINS to revoke Iran's most-favored-nation status.

Last year, Iran exported $611.6 million worth of goods into the United States, while the United States, we exported only $34.1 million. With most-favored-nation status, Iran has also been able to flood our markets with goods that are half the cost of those produced by our domestic manufacturers. In 1987, we handed over $612 million to Iran to pay for textiles, carpets, pistachio nuts, caviar, and crude oil. The pace continues full tilt this year, with Iranian textile imports soaring. Last year, Iran exported 15,000 square yards of textiles into this country. By August of this year, they had exported 600,000 square yards.

Meanwhile, the American textile and apparel industry is fighting for its life against a flood of cheap imports. In South Carolina, we are seeing entire towns shut down in the face of the textile deficit, leaving families jobless and hopeless.

Madam Chairman, I don't understand it. We know for certain that Iran has been responsible for the kidnapping of our citizens, the bombing of our Embassy in Beirut, and the suicide truck bombing of our Marine barracks in Lebanon which killed 241 marines. And, as I speak, American lives are in danger from mines and attacks in the Persian Gulf.

I urge all my colleagues to join in support of this legislation so that Iran, the most fatal nation, is no longer ranked as a most favored nation.

Mr. PANETTA. Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Act of 1987. While I share in the frustration of my colleagues with regard to the $170 billion merchandise trade deficit that is draining America's economy, this legislation is no solution to the problem. We must resist the temptation to apply quick-fixes to a situation which demands a comprehensive, long-term approach. While the time is clearly overdue for action on trade, this is just as certainly the wrong action.

Trade has become a dominant issue on Capitol Hill and around this Nation as constituents have focused on the devastating economic and social impact of this enormous trade deficit. Industries which cannot compete in the world market are forced to close down, battered by foreign imports and unfair trade practices and haunted by a $160 billion budget deficit which creates an overvalued dollar and makes U.S. exports prohibitively expensive abroad. Thousands of Americans are losing their jobs each month. Few in our Nation are left untouched.

With this scenario, both Houses have done something very constructive on the trade crisis facing us today., After both bodies passed comprehensive trade bills in the last few months, scores of Members are furiously working on a compromise package. Whatever the merits of the two different bills, they reflect legitimate frustration with the trade deficit and with the Reagan administation's apparent indifference to the problem. Unfortunately, it appears that many of the administration's recent trade initiatives were simply a reaction to congressional determination to take the lead on trade.

Although there are many factors contributing to the rising trade deficit, the No. 1 culprit is the overvalued dollar. How are we to expect our products to compete with foreign goods when they are marketed with a price tag that reflects an inflated dollar figure? We are, in effect, slapping a surcharge on every product that is in competition with a foreign-made counterpart, both here and abroad. The textile bill proposes to restore the competitiveness of our industry by limiting the number of imports that enter our borders in an attempt to reduce foreign competition.

This approach simply will not work. First, such an action constitutes an open invitation for retaliation. Members of the European Economic Community as well as Canada have explicitly proclaimed that upon enactment of this proposed law they will commence inkind action against our agricultural exports. Other nations will certainly follow suit. Who would profit by such an escalation of trade war? Certainly not the consumer, nor the American family and especially our lower and middle income citizens. Only the rich may be able to afford the increased prices when goods are even available.

Another concern of mine is that this legislation would severely undercut the Uruguay Round of GATT negotiations to extend and confirm existing agreements. It would violate the safeguard provisions of GATT by indiscriminately granting permanent protection to a hugh array of products. Countless existing bilateral agreements would be abrogated. It would also violate the multifiber arrangement by imposing unilateral, global quotas on all textile products. We must enter a new round of international trade negotiations from a position of strength, able to persuade our trading partners to open up their markets as we have opened ours.

The cost of this bill to American consumers has been estimated at over $20 billion with the possibility of inviting retaliation of up to $29 billion of U.S. exports. While approximately 46,000 would be saved through this added protection, 58,000 jobs would be eliminated in the retail industry, thereby resulting in a net loss of 5,700 jobs. Furthermore, some segments of the industry currently enjoys a tarriff rate of 22 percent as compared with an average of 5 percent for all other domestic industries. There are over 1,000 quotas already in place for textile and textile products.

Instead of providing further protection for this industry, I believe we must concentrate our efforts on sending a comprehensive trade bill to the President to relieve our current trade crisis. With the House passing H.R. 3, the Trade and Economic Policy Reform Act of 1987, on April 30, 1987, and the Senate passed S. 1420, the Omnibus Trade and Competitiveness Act of 1987, on July 21, 1987, the Congress has developed two very strong and viable comprehensive trade bills. The Reagan administration has proposed minimal changes in U.S. trade laws and has lead our Nation down the road of trade disaster having inherited a trade deficit of $34 billion in 1981 to $170 billion over 6 years. Currently, the administration's most important

goal in trade legislation is to persuade Congress to extend authority for the President to enter into international trade agreements. The President needs an extension of negotiating authority to complete successfully the ongoing negotiations in GATT. Since the administration needs congressional cooperation to carry out its trade agenda, it will be forced to compromise on congressional initiatives for trade reform.

The House and Senate bills, while similar in their basic thrusts, have many important differences. There are, for example, significant differences in their provisions regarding trade remedies and authority for trade negotiations. Also, each bill has provisions that have not been addressed in the other House. Consequently, the conference committee has the complex task in reconciling the two bills. Between 150 to 200 legislators will represent the 9 Senate committees and 13 committees of the House that have some jurisdiction over the issues.

My greatest concern is that the work of the conference committee is futher complicated by administrative threats to veto legislation containing certain controversial provisions in the House and Senate bills. In late July of this year, President Reagan stated that if either bill came to him in present form, he would have no choice but to veto it. It is precisely this continued uncooperative and unrealistic attitude that would allow me to join my House colleagues in supporting the override of an anticipated Presidential veto of the textile bill when it passes later today.

For too long I have seen this administration simply give lip service to working with Congress on important legislative matters facing our Nation. The facts are that whether we are formulating a solution to our budget problems or the trade deficit, the administration takes on the role of tattle-tale running to the American people to claim that the Congress is the enemy of this or that when the fact is the President and his administration take no part of forging compromises on important issues. The President either wants it all his way or else he'll take his toys home and play by himself.

My first goal remains passage of a strong, comprehensive trade bill this year, not a piece-meal trade bill for various industries. However, should the administration continue to thwart the work of Congress on a trade package, I will then join my colleagues in passing this textile bill over the alternative of no trade bill at all.

Madam Chairman, the trade crisis we are facing will not be resolved by the President alone nor the Congress by itself, but rather bipartisan leadership to push the final compromise trade bill over the hump to enactment into law. If the President continues to be the roadblock to arriving this year on a comprehensive strategy to relieve the trade crisis, then I look forward to supporting the override of the certain Presidential veto of this legislation.

I am under no illusions that this prescription is an easy one to follow. However, the trade situation in our Nation has so deteriorated that there simply are no painless solutions, neither for the affected industries and their workers, nor for the politicians called upon to solve the problem overnight.

We must not attack the trade crisis on a piece-meal basis. America is best-served by a comprehensive policy designed to place our Nation's manufacturers and industries back on a sound economic footing. Glossing over the problem by applying another coat of industry-specific protectionism will hurt all of us in the long run.

I urge my colleagues to vote "no" on H.R. 1154, but carefully monitor the administration's actions on a possible veto of this legislation and more importantly, the administration's cooperation on passing a comprehensive trade bill this year.

Mr. CRANE. Madam Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL], a member of the Subcommittee on Trade.

Mr. FRENZEL. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, we have an interesting debate here. Unfortunately, we are restricted to 3 hours. On the other hand, we have had much discussion among ourselves through the medium of "Dear Colleague" letters and through committee hearings, so that the subject has been rather fully aired.

Despite the full discussion, it is my opinion that our discussion is still dominated by myths. We have the proponents of H.R. 1154 telling us that this is a very sick industry, that there are regions of the country which have been badly hurt.

I think many of the Members would agree that that has been the case in the past, but I think, it has been quite clearly shown that we have a very healthy textile industry, that its rate of return on investment is greater than that of manufacturing in general, and that it is enjoying its third straight very wonderful year.

We have also been told that the American concept of free trade does not work with respect to textiles; and therefore, we must get protectionist.

May I say that there is no industry in the United States more protected than textiles, and it has never been subjected to free trade, at least in my lifetime.

We have the highest tariffs in the industrialized world, and I will refer the Members to some other writings in the committee hearings with respect to the number of protocols, and our quotas, and our bilateral arrangements with our trading partners.

With respect to unemployment, I am told that the July figure for the Nation is 6.1. The three textile-producing States who are telling the Members how down on their luck they are, South Carolina with 5.5, and that is 10 percent under the national rate; North Carolina with 4.7, 20 percent under the national rate; and Georgia with 5.1, somewhere in between, but well under the national rate, a little less than 10 percent under.

If one is to look at the shoe States like Maine and Massachusetts, one finds even lower unemployment rates, 2.6 in Massachusetts, 4.9 in Maine, while in the industrial heartland of Illinois, Michigan, and Ohio, we have unemployment rates of 7.1, 8.8, and 6.7; and the perpetrators of this bill would tell us that those States with high unemployment should pay for the bad luck of those who have low unemployment.

That is a little hard sell to make, I think, to rational people in this day and age. We have been told that import penetration is skyrocketing. The import penetration in textiles is 13.3 percent. In 1986 it will be about the same, maybe a little less in 1987.

The apparel penetration is 33 percent. It is a high number, but the surge that is occurring now is occurring by reason of people being afraid this bill is going to be passed, and they are trying to get in under the wire.

We have been told that somehow we will help the consumers if we ask them to pay a couple hundred bucks more per family than they are now paying. They are now paying $300 per family additionally because of tariff and quota protections already in place for textiles.

The Chairman of the Council of Economic Advisers says the cost to consumers is $25 billion, $37 billion over the next 5 years. That doubles the protection already in effect.

If we look at GATT, we have been told that there is some sort of myth circulating, that this is in accordance with the GATT.

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It is clearly violative of article 19 of the GATT, which calls for restrictions when used to be temporary and to be phased out, caused by serious injury, that they be limited to the amount necessary for the remedy, and that there be compensation to trading partners to equal the restrictions. In every one of those categories, this bill falls short and violates article 19.

In addition, it violates 41 bilateral agreements and would ruin the MFA and throw that into shambles internationally.

It would hurt our friends in the Caribbean Basin, particularly Haiti, Costa Rica, and the poorest nations in the world that we are trying to help now by rolling back 30 percent what they are shipping into the country. The same is true in the Far East.

The retaliation, of course, would fall on those industries which have done a good job, agriculture, high tech, airframes, computers, chemicals, papers, those industries that have worked hard and are exporting, they are the ones that would be hurt. The success-

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ful industries will have to pay for the unsuccessful.

If there was ever a time for such a bill, this not it. I have not given up on America. I do not think the textile industry is a cripple. I do not think Americans are nonproductive. I believe that we can compete in the world without the necessity of the extra crutch, the extra wheelchair, and the extra iron lung. I do not think we have to cry poor for an industry that is enjoying better profits than the rest of manufacturing generally.

I think we need to beat this bill. There is a feeling, as a previous speaker indicated, that you can give a vote to the labor unions today and the bill will go away because it is obvious that the industry is in such good condition that the bill will never find its way to the President. If this bill gets two-thirds of the votes of this House today, I guarantee that we will be voting on it again and again, once on a conference report and once on a veto message.

The place to stop this bill is here and now. The vote is "nay."

Mr. CRANE. Madam Chairman, I have one final request for time. I yield 1 minute to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. I do not want to get bogged down in a discussion of all the trade violations contained in this bill, nor do I want to list the startling figures on industry productivity and increased profits over the past 2 years. Many of my colleagues have made these arguments against H.R. 1154 very succinctly, and I believe very convincingly.

The bottom line is that the domestic textile and apparel industries are experiencing a strong comeback. Just consider that textile manufacturers' profits rose 67 percent in 1986 over last year and then rose nearly 12 percent in the first quarter of 1987. In addition, these industries have mounted a successful consumer awareness campaign which has American consumers paying more attention to the origin of the finished products they purchase. However, while enjoying the greatest level of protection afforded any industry, these manufacturers are asking for tougher sanctions against their foreign competitors.

Unfortunately, our trading partners—especially those in the developing world—will not be easily convinced that these American industries are still on the verge of collapse. We have just recently reached new bilateral trade agreements concerning these products with four of our major trading partners. Should H.R. 1154 be enacted, these same countries would surely retaliate.

The major problem with H.R. 1154 is that it provides protection for jobs in one industry at the expense of workers in other activities. For example, workers in agriculture, aerospace, high technology electronics, chemicals, and pharmaceuticals would be the first to feel the retaliatory backlash. However, the damaging effects would soon be felt by every American in the form of lost jobs, higher prices, and shrinking economic growth.

While I am sympathetic to the situation of many workers who have lost their jobs in these industries, I feel H.R. 1154 takes the exact opposite approach to furthering our trade objectives. For several years now we have stressed job creation, competitiveness, and negotiations to open markets in other countries for American goods. I am convinced that enactment of H.R. 1154 will destroy jobs, inhibit innovations in these industries, and close existing and potential export markets.

Mr. JENKINS. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, I yield to the gentleman from North Carolina [Mr. ROSE].

Mr. ROSE. Madam Chairman, I thank the gentleman for yielding to me.

Briefly, I would like to say that our good colleague, the gentleman from Oregon [Mr. AUCOIN] said that there were no domestic manufacturers of athletic footwear in the United States. I just want the record to show that in my district there are 2,000 hard working people in the Converse plant that make a very high quality canvass sneaker.

Madam Chairman, I would like the record to show that I support this legislation and I urge my colleagues to vote for H.R. 1154.

Mr. JENKINS. Madam Chairman, I thank my colleague.

Let me say very briefly that I wish that it were not necessary that I reappear today, because we have had a vote before that was ultimately vetoed that would have given us some relief.

The industry has attempted to be responsible and reasonable. Last time you indicated that there were real problems with this bill, that it discriminated against certain countries. The industry and the members of the textile caucus headed by my friend, the gentleman from South Carolina, Mr. BUTLER DERRICK addressed that issue.

We said, "All right, if that concerns you, we will make it apply to everyone."

Now, my friend, the gentleman from Florida, does not like that, but it would not make any difference what type of a textile bill we ever brought before this House, the gentleman would never support any of them. I have served on the gentleman's committee for 10 years and I can assure you of that.

Now, many Members did not like the fact that last year's bill was directed primarily to the major producers. We addressed that issue. We attempted to do so in a responsible way.

Who are we trying to fool by saying that suddenly we are a protectionist industry? We have had quotas in this industry. This is nothing new. We have had them for over 20 years. We are attempting to make a set of quotas work.

Whom are you trying to help? Where are the increases coming from? Certainly we have bilateral agreements with some of the major producers. Let me name a few of them that you are trying to protect.

The increase from Bulgaria, 126,000 square yards in 1980, to 1,895,000 square yards last year. Is that whom you are trying to protect?

Cambodia, Czechoslovakia, let me give you this figure: 2,359,000 square yards in 1980, up to this year 4,019,000.

Do you want to help Hungary? It went from 2,200,000 in 1980 to 18,600,000 square yards last year.

The People's Republic of China that we have heard a great deal of talk about, 324 million square yards to 1 billion 739 thousand square yards.

Is your concern about Romania? That goes from 19 million square yards in 1980, to 63 million square yards in 1986.

Now, I understand that if the administration or this Congress, or whoever it may be, wants to trade, which I happen to support, I have no objection to trading with Communist countries, that is one way to try to resolve a lot of difficulties; but if you are concerned, according to the last figures, that we may penalize Bulgaria, Czechoslovakia, Hungary, the People's Republic of China, Poland, Romania, the Soviet Union that has gone from 19 million to 63 million square yards in the last 10 years, is that our concern?

And yes, there was a considerable number of imports from Iran.

Now, I would like to be reasonable in this as anyone else. Intellectually, I would like to be for free trade totally.

My friends, if you think you are going to rely upon services to get us out of this trouble, we have lost 8 of the 10 largest banks. We are no longer even in that category.

The largest insurance company, you want to sell insurance around the world and make up the trade deficit, we no longer have the largest insurance company in the world.

You see data processing, high technology, agriculture, where are you going to move to?

Unfortunately, as much as we intellectually want to be for free trade, if we are realistic with ourselves, if we are honest with ourselves, we know it is not working.

You said if we devalued the dollar, if the dollar was decreased in value in the international financial market, it would change. It has gone down over 40 percent against most currencies in the last 2 years. Our deficit goes up.

You say the industry is profitable. Let me tell you something. If you eliminate 20 percent of the market, the other 80 percent is going to do fairly well for a little while, and then we will ultimately be right back in the same situation.

I know that no debate is going to change anyone's vote. I recognize that, but all of you people who feel very confident from the port areas of Washington and other States, you will be down here and my industry will have moved offshore because they will have to do so in order to compete. I think that is a mistake for America.

Mr. SCHULZE. Madam Chairman, I urge an affirmative vote on the question about to be put, and I yield back the balance of my time.

Mr. GIBBONS. Madam Chairman, I yield all our remaining time to the gentleman from Illinois [Mr. ROSTENKOWSKI], the chairman of the Ways and Means Committee, to close debate.

Mr. ROSTENKOWSKI. Madam Chairman, this month the Congress embarks on the final leg of a 3-year effort to reform U.S. trade policy. When the conference on the omnibus trade bill begins its work, a desire for real reform will guide our deliberations.

Many important themes are emerging from that legislative effort. But among them, the most basic is the view that the United States must take a firm stand against the artificial trade barriers of other nations. That has become the rallying cry of the 100th Congress! We want the governments of the world to break down their trade restraints. And we want all nations to play by the rules. This is a lofty goal, which can only be achieved if the United States maintains a strong commitment to free and fair trade.

Today, we face a vote which tests whether the push for fair trade is real or just political hype. The bill we are now considering establishes permanent restrictions on all textile and footwear imports. It invokes the very kind of trade policy we find so offensive in other nations. If it becomes law, we are, in effect, notifying the world that we aren't really serious about fair trade.

I think each of us should ask a basic question about this textile quota bill. What underlying principle of fairness does it uphold? If other nations were to follow suit, what system of trade rules would emerge from the multitude of bitter recriminations which would inevitably occur in its wake? I believe the answers to these questions are clear.

Many Members have voted for this bill because it "sends a message" that we are unhappy with our trading partners and this administration. But I think many of us know that if it ever became law the message to the world would be "every man for himself."

A few months ago, we voted on the Gephardt amendment. I sat and listened as Member after Member took to the well to condemn the protectionist policies of Japan, Taiwan, Korea and other nations. "Its time to get tough," they said. The House endorsed their arguments and passed the amendment.

But how does one square this bill with the Gephardt amendment? The Gephardt amendment speaks of reciprocity, fairness, and tough negotiations. The textile bill speaks of plain, old-fashioned protection for a few selected industries.

I know America's workers have been severely injured by our own inept trade polices. But the solution is not to single out one group for protection. The solution is to have overall policies which assert our long-term interests.

So I urge my colleagues—let's stop voting for ill-advised trade bills just to send messages. Let's get serious about this country's trade problems and start crafting an omnibus trade bill which has some sound principles behind it. That's the right thing to do! Until we stop advocating politically popular but unrealistic trade measures and start developing sensible legislation that has a chance of becoming law, Congress is not going to be viewed as a serious player in the effort to stabilize world trade.

I urge you to vote no on this legislation.

Mr. WEISS. Madam Chairman, as a cosponsor, I rise in strong support of the Textile and Apparel Trade Act of 1987 (H.R. 1154).

There is a lot of controversy about the effect of this bill, which has been condemned as a protectionist evil by its opponents.

To get to the truth of the matter, I think it is necessary to view this bill in the context of the overall economic situation in this country today.

The current state of the American economy is cause for serious concern. Joblessness remains at epidemic levels. The Nation's infrastructure is in disrepair. We are accumulating unprecedented debt at all levels of our society—personal, corporate, Federal, and international. The Federal deficit remains at astounding levels, contributing to a trade deficit that is out of control—it grew by $16.5 billion in July alone. We are facing the decline and collapse of basic industries and a long-term decline in national productivity.

By now the reasons for these failures are well known. Ronald Reagan campaigned for office by promising to balance the budget in his first term. Instead, he borrowed more heavily than all previous Presidents combined. This opened up a huge trade imbalance with our trading partners and made us a debtor nation. As a result, basic domestic industries have suffered from decline and collapse. And the workers in those industries have been thrown out of work or forced to live with less.

With 1 year left in his administration, President Reagan is probably thinking more and more about his place in history. One thing can be certain: The term "Reaganomics" will almost certainly become synonymous with neglect, decline, and failure. The rosy predictions of the White Hosue notwithstanding, President Reagan's chickens will come home to roost. Who will pay the price? We will; our children will; and their children will.

The Reagan administration's record on trade is abysmal. Since 1981, the trade deficit has more than quadrupled—from $40 billion to nearly $170 billion. The administration has said little and done less in response to a flood of imports and a sharp decline in exports. It has stood by as entire industries have been imperiled.

Do we need the Textile and Apparel Trade Act?

Textile and apparel imports have risen 17 percent a year since 1981—400,000 jobs have been lost.

In 1981, we imported 376 million pairs of footwear. In 1986, the figure was 941 million pairs—57,000 jobs have been lost.

The textile, apparel and footwear industries are efficient and productive. They have spent billions to modernize. But they simply cannot compete against the unfair trading practices, including government subsidies, extraordinarily low wages, and import restrictions that bar U.S. products. The result is that imports account for a larger and larger share of the domestic market for these goods.

The Reagan administration simply has not responded to this problem as it should have. Under the Multi-Fiber Agreement, growth in imports from developing nations was to be limited to 6 percent a year. Yet actual growth has far exceeded this level. The administration has failed to enforce existing agreements, and it has failed to pressure other nations to open their markets to U.S. goods.

There is a recourse. The Textile and Apparel Trade Act will help the textile, apparel and footwear industries compete in the world market. And its provisions have been carefully drawn to meet the objections that were raised about earlier versions of this legislation.

The bill restricts the growth in textile and apparel imports to 1 percent a year, and it restricts footwear imports to 1986 levels. However, the bill will permit the administration to apportion these quotas among all nations instead of discriminating against specific nations.

In addition, the bill gives the administration the authority to enter into agreements to reduce tariffs on these products in order to compensate foreign nations for the effect of the quotas. Thus, the likelihood of retaliation will be minimized.

Finally, the bill requires yearly reports to Congress and permits Congress to remove these quotas at any time.

In short, this bill will do what the Reagan administration has consistently failed to do: it will improve our economy. The bill will help preserve basic American industries in the face of unfair trading practices. It provides fair treatment to American workers, and it will actually increase overall employment. And it will reduce Government outlays.

Most important, this bill will be a major step forward in the fight to get our Nation's trade deficit under control. And that, in turn, will be a major step toward economic revitalization of our overall economy.

Our Nation's civilian economy has always been one of our greatest assets. We cannot stand by as it is destroyed through neglect and failed policies. The Textile and Apparel Trade Act will make a real contribution at a time when a contribution is sorely needed.

I urge all of my colleagues to support this bill and to pledge to take whatever other actions prove necessary to get our trade deficit down and our economy back on track.

□ 1730

Mr. GIBBONS. Madam Chairman, I yield back the balance of my time.

Mr. CRANE. Madam Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of H.R. 1154, as amended, is as follows:

HR. 1154

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Textile and Apparel Trade Act of 1987".

SEC. 2. POLICY.

The policy of this Act is to—

(1) relate the growth of textile and clothing imports to the growth of the domestic market in order to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and clothing manufacturers, and loss of job opportunities for United States textile and clothing workers; and

(2) maintain a viable United States nonrubber footwear industry by preventing further damage to United States nonrubber footwear manufacturers and loss of job opportunities for United States nonrubber footwear workers.

SEC. 3. FINDINGS AND DETERMINATIONS.

(a) FINDINGS.—The Congress finds that—

(1) with respect to textiles and textile products—

(A) the current level of imports of textiles and textile products from all sources, more than one hundred and sixty-five countries, reached nearly 12.7 billion square yard equivalents in 1986, an increase of 17 per centum over 1985 imports; this level of imports is 2.5 times the level of imports in 1980, a rate of increase that was not foreseen when the United States granted trade concessions benefiting foreign suppliers of textiles and textile products, and represents over 1.2 million job opportunities lost to United States workers;

(B) imported textiles and textile products contain four million bales of cotton which is equivalent to 39 per centum of annual cotton production in the United States; eight out of every ten bales of cotton contained in imported textiles and clothing are foreign grown cotton; sustained massive increases in imports of cotton textile and clothing products are causing a declining market share for domestic cotton producers, depressed prices, and an average annual market revenue loss of over $1,000,000,000; another result is that a market development program voluntarily funded by United States cotton producers actually benefits foreign growers; finally, as imports of textiles and clothing increase, domestic cotton acreage is shifted to produce other agricultural products which are already in oversupply thereby adding to the problems of United States agriculture;

(C) imports of textiles and textile products made of wool have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; because import penetration in the domestic wool textile and clothing market is nearly 70 per centum, it is critical that action be taken to halt further erosion of the domestic industry's market share;

(D) imports of textiles and textile products made of manmade fiber and competing fibers, other than cotton or wool, have more than doubled since 1980 resulting in substantial reductions in domestic manmade fiber production capacity and job losses;

(E) the textile and clothing trade deficit of the United States exceeded $21,000,000,000 in 1986, an increase of 18 per centum over 1985, and accounted for 12 per centum of the Nation's overall merchandise trade deficit;

(F) import growth of clothing and clothing fabrics has averaged 8 per centum annually since 1973; over that same period, the domestic market for clothing and clothing fabrics has grown only 1 per centum annually; import growth has recently accelerated and, since 1982, has averaged 21 per centum annually; the result is that import penetration in the domestic clothing and clothing fabric market has nearly doubled in the last six years, reaching a level of 52 per centum in 1986;

(G) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products competitive with those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to the Federal and local governments;

(H) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring new measures;

(I) unless the import growth rate of textiles and textile products is slowed to the long term rate of growth of the United States market, plant closings and job losses will continue to accelerate, leaving the United States with reduced competition benefiting domestic consumers and leaving the Nation in a less competitive international position;

(J) a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States; and

(K) actions taken by the United States under the Arrangement Regarding International Trade in Textiles of December 20, 1973, as extended (commonly referred to as the "Multi Fiber Arrangement" or "MFA") have failed to avoid disruptive effects in the textiles and textile products markets in the United States; and

(2) with respect to nonrubber footwear—

(A) nonrubber footwear imports in 1986 reached a record level of nine hundred and forty-one million pairs; this volume of imports is 2.5 times that of 1981, the year that import relief for the nonrubber footwear industry terminated, and is 11.6 per centum above 1985 levels, the year in which the International Trade Commission issued its third finding that the domestic nonrubber footwear industry has been seriously injured by increased imports;

(B) since 1981, import growth of nonrubber footwear has averaged more than 20 per centum per year, gaining market share at the expense of the domestic industry; in 1981, import penetration of the domestic nonrubber footwear market was 51 per centum; by 1986, import penetration reached an unprecedented 80.7 per centum;

(C) as a direct result of imports, domestic nonrubber footwear production has declined every year since 1978, reaching two hundred thirty-four million pairs in 1986, a production level matched only during the Great Depression in the 1930's;

(D) domestic nonrubber footwear employment has steadily declined every year since 1981, and is down 37 per centum from 1981 levels and 7.3 per centum from 1985 levels; unemployment in the nonrubber footwear industry averaged 15.4 per centum in 1986, more than double the national average; and

(E) domestic nonrubber footwear production facilities are closing at an alarming rate, with three hundred and eight factory closings since 1981 and seventy closings in 1986 alone.

(b) DETERMINATIONS.—Congress determines that, for the foregoing reasons—

(1) textiles and textile products are being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of textiles and textile products in the United States, and

(2) nonrubber footwear is being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of nonrubber footwear in the United States,

within the meaning of article XIX of the General Agreement on Tariffs and Trade.

SEC. 4. LIMITS ON IMPORTS.

(a) CALENDAR YEAR 1987.—Notwithstanding any other provision of law—

(1) the aggregate quantity of textiles and textile products, from all countries, classified under a category that is entered during calendar year 1987 shall not exceed an amount equal to 101 per centum of the aggregate quantity of such products classified under such category, from all countries, that entered during calendar year 1986, and

(2) the aggregate quantity of nonrubber footwear, from all countries, classified under a nonrubber footwear category that is entered during calendar year 1987, and during each calendar year thereafter, shall not exceed an amount equal to—

(A) the aggregate quantity of nonrubber footwear classified under such category, from all countries, that entered during calendar year 1986, and

(B) in the case of low priced nonrubber footwear, notwithstanding subparagraph (A), the aggregate quantity of low priced nonrubber footwear classified under such category, from all countries, that entered during calendar year 1986.

(b) GROWTH ADJUSTMENT.—For calendar years after 1987, the aggregate quantity of textiles and textile products, from all countries, classified under each category that may be entered during each such calendar year shall be increased by an amount equal to 1 per centum of the aggregate quantity that could be entered under such category during the preceding calendar year. If the aggregate quantity that could be entered under a category for a calendar year after 1987 is reduced under section 9(b), then, in the first calendar year in which there is no such reduction, this subsection shall be applied as if there had been no reduction under section 9(b) in previous calendar years.

(c) EXCEPTIONS.—

(1) The limitations in this Act on the aggregate quantity of articles of textiles and textile products and nonrubber footwear that may be entered during any calendar year do not apply to articles of that kind that are the product of any insular possession of the United States if the articles are—

(A) exempt from duty under general headnote 3(a) of the Tariff Schedules of the United States (19 U.S.C. 1202); and

(B) manufactured or produced in such possession by individuals who are either—

(i) United States citizens;

(ii) United States nationals; or

(ii) permanent residents of such possession in accordance with its laws.

(2) Notwithstanding any other provision of law, the aggregate quantity of sweaters that are—

(A) made of cotton, wool, or manmade fibers; and

(B) assembled in Guam from otherwise completed knit-to-shape component parts;

and that may be entered—

(i) during calendar year 1987, may not exceed 163,216 dozen; and

(ii) during any calendar year after 1987, may not exceed the aggregate quantity that is authorized to be entered under this paragraph during the preceding calendar year, increased by 1 per centum.

(d) ENFORCEMENT.—The Secretary of Commerce shall prescribe such regulations as may be necessary or appropriate for the efficient and fair administration of the provisions of this Act, including regulations governing entry, or withdrawal from warehouse, for consumption of the products covered by this Act. Such regulations shall provide for reasonable spacing of imports over the calendar year.

SEC. 5. TARIFF COMPENSATION.

(a) COMPENSATION.—

(1) The President may (A) enter into trade agreements with foreign countries or instrumentalities to grant new concessions as compensation, to the extent required under international trade agreements of the United States, for the import limits imposed under section 4 of this Act to maintain the general level of reciprocal and mutually advantageous concessions under such agreements; and (B) proclaim such modification or continuance of any existing duty on textiles and textile products and on nonrubber footwear as he determines to be required or appropriate to carry out such agreements.

(2) No proclamation shall be made under paragraph (1) decreasing any rate of duty to a rate of duty which is less than 90 per centum of the existing rate of duty.

(3) Before entering into any trade agreement under this subsection with any foreign country or instrumentality, the President shall consider whether such country or instrumentality has violated trade concessions of benefit to the United States and such violation has not been adequately offset by the action of the United States or by such country or instrumentality.

(b) STAGING REQUIREMENTS.—The aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to subsection (a) shall not exceed the aggregate reduction which would have been in effect on such day if a reduction of one-fifth of the total reduction under subsection (a) had taken effect on the effective date of the first reduction proclaimed to carry out such trade agreement, and at one-year intervals after such effective date.

(c) PROHIBITION.—Except as provided in subsection (a) and notwithstanding any other provision of law, the President may not enter into trade negotiations with any foreign country or instrumentality with respect to duties on textiles and textile products and on nonrubber footwear and may not decrease, or propose a decrease, in any such duty by any means, including an implementing bill under section 151 of the Trade Act of 1974 or a proclamation.

SEC. 6. ANNUAL REPORT.

Not later than March 15, 1988, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of this Act during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 4. All departments and agencies shall cooperate in preparation of this report, as requested by the President.

SEC. 7. REVIEW.

The Secretary of Commerce shall commence ten years after the date of enactment of this Act a review of the operation of this Act. The Secretary shall consult representatives of workers and companies in the textile and textile products and nonrubber footwear industries, the United States Trade Representative, the Secretary of Labor, and other appropriate government officials. Within six months after the commencement of the study, the Secretary shall submit to Congress his findings.

SEC. 8. DEFINITIONS.

For purposes of this Act—

(1) The term "textiles and textile products" includes, but is not limited to, all articles covered by a category;

(2) The term "nonrubber footwear" means nonrubber footwear articles classified under items 700.05 through 700.45; 700.56; 700.72 through 700.83; and 700.95 of the Tariff Schedules of the United States (19 U.S.C. § 1202) (as in effect on January 1, 1987) and includes, but is not limited to, all articles covered by a footwear category;

(3) The term "category" means each of the following—

(A) each category identified by a three-digit number in the Department of Commerce publication "Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated", dated January 1987, and in any amendments to such publication correcting clerical errors or omissions;

(B) each subdivision of a category described in subparagraph (A) with respect to which the United States has (i) an agreement with any country on the date of enactment of this Act limiting exports of textiles and textile products to the United States that includes a specific limit on such subdivision, or (ii) taken unilateral action to limit products from any country entered under such subdivision; and

(C) a category consisting of the manmade fiber products not covered by a category described in subparagraph A and classified under subpart E of part 1 of schedule 3 to the Tariff Schedules of the United States.

The Secretary of Commerce shall determine, after consultations with the United States Trade Representative and the United States International Trade Commission, whether comparable subdivisions described in subparagraph (B) are consistently defined; if the Secretary determines that such subdivisions are not consistently defined, then the Secretary shall prescribe by regulation an appropriate definition of the category covering such comparable subdivisions;

(4) The term "nonrubber footwear category" means each of the following—

(A) men's leather;

(B) men's vinyl/plastic;

(C) men's other;

(D) women's leather;

(E) women's vinyl/plastic;

(F) women's other;

(G) juvenile leather;

(H) juvenile vinyl/plastic;

(I) juvenile other;

(J) athletic leather;

(K) athletic vinyl/plastic;

(L) leather work footwear;

(M) other leather footwear;

(N) miscellaneous vinyl/plastic; and

(O) miscellaneous other.

(5) The term "low priced nonrubber footwear" means nonrubber footwear with a customs value of $2.50, or less, per pair.

(6) The term "country" means a foreign country, a foreign territory, an insular possession of the United States, or any other territory, possession, colony, trusteeship, political entity or foreign trade zone, whether affiliated with the United States or not, that is outside the customs territory of the United States;

(7) The term "duty" includes the rate and form of any import duty, including but not limited to tariff-rate quotas;

(8) The term "existing" means the nonpreferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) set forth in rate column numbered 1 of Schedules 1 through 7 of the Tariff Schedules of the United States (or the comparable rate of duty set forth in any law that may supersede such Traffic Schedules) existing on the day before the date of enactment of this Act; and

(9) The term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

SEC. 9. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this Act shall apply to textiles and textile products and to nonrubber footwear entered, or withdrawn from warehouse, for consumption on and after the date of enactment of this Act.

(b) CALENDAR YEARS 1987 AND 1988.—The Secretary of Commerce shall prescribe by

regulation the aggregate quantity, if any, of textiles and textile products and of nonrubber footwear that may be entered under section 4(a) under each category and each nonrubber footwear category during the period beginning on the date of enactment of this Act and ending on December 31, 1987. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products or of nonrubber footwear entered under a category or nonrubber footwear category after December 31, 1986, and before the date of enactment of this Act exceeds the quantity permitted entry for such products under such category during calendar year 1987 under section 4(a), then the limit that would otherwise apply under section 4(b), in the case of textiles or textile products, or under section 4(a), in the case of nonrubber footwear, for such category for calendar year 1988 shall be reduced by the amount of such excess quantity. If such excess quantity exceeds the limit that would otherwise apply under section 4(b), or section 4(a), as appropriate, for such category for calendar year 1988, then the limit for such category for calendar years after 1988 shall be reduced until such excess is accounted for.

The CHAIRMAN. No amendments to the bill are in order except the amendments recommended by the Committee on Ways and Means now printed in the reported bill, which are considered as having been adopted in the House and in the Committee of the Whole.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Ms. KAPTUR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, pursuant to House Resolution 256, she reported the bill back to the House with sundry amendments printed in the reported bill adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The amendments printed in the reported bill are considered as having been adopted in the House.

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

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SCHULZE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 263, nays 156, answered "present" 1, not voting 15, as follows:

[Roll No. 319]

YEAS—263

Ackerman	Gekas	Obey
Alexander	Gephardt	Olin
Andrews	Gilman	Ortiz
Annunzio	Gingrich	Owens (NY)
Anthony	Gonzalez	Parris
Applegate	Goodling	Pashayan
Aspin	Gordon	Patterson
Atkins	Grant	Pelosi
Baker	Gray (IL)	Pepper
Ballenger	Gray (PA)	Perkins
Barnard	Gregg	Pickett
Bateman	Guarini	Price (IL)
Bentley	Gunderson	Price (NC)
Bevill	Hall (OH)	Quillen
Bilbray	Hall (TX)	Rahall
Bliley	Hamilton	Ravenel
Boehlert	Hammerschmidt	Ray
Boggs	Harris	Regula
Boland	Hatcher	Richardson
Boner (TN)	Hawkins	Ridge
Bonior (MI)	Hayes (IL)	Rinaldo
Borski	Hayes (LA)	Ritter
Boucher	Hefner	Robinson
Brennan	Henry	Rodino
Brooks	Hertel	Roe
Brown (CA)	Hochbrueckner	Rogers
Bruce	Holloway	Rose
Bryant	Hopkins	Roukema
Buechner	Horton	Rowland (GA)
Bustamante	Houghton	Russo
Byron	Howard	Sabo
Callahan	Hoyer	Savage
Campbell	Hubbard	Schneider
Cardin	Huckaby	Schuette
Carper	Hughes	Sharp
Carr	Hunter	Shays
Chapman	Hutto	Shuster
Chappell	Jacobs	Sikorski
Clarke	Jeffords	Sisisky
Clinger	Jenkins	Skeen
Coble	Johnson (SD)	Slaughter (NY)
Coelho	Jones (NC)	Slaughter (VA)
Coleman (MO)	Jones (TN)	Smith (FL)
Combest	Jontz	Smith (NJ)
Conte	Kanjorski	Smith (TX)
Conyers	Kaptur	Smith, Denny (OR)
Cooper	Kastenmeier	Smith, Robert (NH)
Coughlin	Kennedy	Snowe
Coyne	Kildee	Solomon
Daniel	Kolter	Spratt
Darden	Kostmayer	St Germain
Davis (IL)	Lancaster	Staggers
Davis (MI)	Lantos	Stenholm
de la Garza	Leath (TX)	Stokes
Dellums	Lehman (CA)	Stratton
Derrick	Lehman (FL)	Studds
Dickinson	Leland	Sundquist
Dingell	Levin (MI)	Sweeney
DioGuardi	Lewis (GA)	Swindall
Dixon	Lipinski	Tallon
Donnelly	Lott	Taylor
Dowdy	Madigan	Thomas (CA)
Duncan	Manton	Thomas (GA)
Durbin	Markey	Torres
Dwyer	Martin (NY)	Torricelli
Dymally	Mavroules	Towns
Dyson	McCloskey	Traficant
Early	McDade	Traxler
Eckart	McGrath	Valentine
Edwards (CA)	McMillan (NC)	Vento
Emerson	McMillen (MD)	Visclosky
Erdreich	Mfume	Volkmer
Espy	Miller (OH)	Walgren
Evans	Mineta	Watkins
Fascell	Moakley	Weiss
Fazio	Mollohan	Wheat
Feighan	Montgomery	Whitten
Fish	Moody	Williams
Flake	Morrison (CT)	Wilson
Flippo	Mrazek	Wise
Florio	Murphy	Wolpe
Foglietta	Murtha	Wright
Ford (MI)	Nagle	Yates
Ford (TN)	Natcher	Yatron
Frank	Neal	Young (AK)
Frost	Nichols	
Garcia	Nowak	
Gaydos	Oakar	
Gejdenson	Oberstar	

NAYS—156

Akaka	Hefley	Packard
Anderson	Herger	Panetta
Archer	Hiler	Pease
Armey	Hyde	Penny
AuCoin	Inhofe	Petri
Badham	Ireland	Pickle
Bartlett	Johnson (CT)	Porter
Barton	Kasich	Pursell
Bates	Kennelly	Rhodes
Beilenson	Kleczka	Roberts
Bennett	Kolbe	Rostenkowski
Bereuter	Konnyu	Roth
Berman	Kyl	Rowland (CT)
Bilirakis	LaFalce	Roybal
Bonker	Lagomarsino	Saiki
Bosco	Leach (IA)	Sawyer
Boulter	Lent	Saxton
Boxer	Levine (CA)	Schaefer
Broomfield	Lewis (CA)	Scheuer
Brown (CO)	Lewis (FL)	Schulze
Bunning	Lightfoot	Schumer
Burton	Livingston	Sensenbrenner
Chandler	Lowery (CA)	Shaw
Cheney	Lowry (WA)	Shumway
Coats	Lujan	Skaggs
Craig	Luken, Thomas	Slattery
Crane	Lukens, Donald	Smith (IA)
Crockett	Lungren	Smith (NE)
Dannemeyer	Mack	Smith, Robert (OR)
Daub	MacKay	Solarz
DeFazio	Marlenee	Stallings
DeLay	Martin (IL)	Stangeland
DeWine	Matsui	Stark
Dicks	Mazzoli	Stump
Dorgan (ND)	McCandless	Swift
Dornan (CA)	McCollum	Synar
Downey	McCurdy	Tauke
Dreier	McEwen	Udall
Edwards (OK)	McHugh	Upton
English	Meyers	Vander Jagt
Fawell	Mica	Vucanovich
Fields	Michel	Walker
Foley	Miller (CA)	Waxman
Frenzel	Miller (WA)	Weber
Gallegly	Molinari	Whittaker
Gallo	Moorhead	Wolf
Gibbons	Morella	Wortley
Glickman	Morrison (WA)	Wyden
Gradison	Myers	Wylie
Grandy	Nelson	Young (FL)
Green	Nielson	
Hansen	Owens (UT)	
Hastert	Oxley	

ANSWERED "PRESENT"—1

Martinez

NOT VOTING—15

Biaggi	Kemp	Schroeder
Clay	Latta	Skelton
Coleman (TX)	Lloyd	Spence
Collins	Rangel	Tauzin
Courter	Roemer	Weldon

□ 1745

The Clerk announced the following pair:

On this vote:

Mr. Spence for, with Mr. Courter against.

Mr. MICA changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill just passed.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Florida?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2260

Mr. PETRI. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2260.

The SPEAKER pro tempore (Mr. LEHMAN of California). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 5 minutes.

[Mr. LIVINGSTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE NUCLEAR ENERGY REORGANIZATION ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, today I am introducing the Nuclear Energy Reorganization Act of 1987, which will improve the effectiveness of nuclear safety regulation by restructuring the Nuclear Regulatory Commission [NRC] and establishing both an Inspector General within the NRC and an independent Nuclear Safety Board.

Title I of my bill would replace the Commission with the Nuclear Energy Regulatory Agency (Agency) headed by a single administrator who would be appointed by the President with the advice and consent of the Senate.

In the aftermath of the accident at Three Mile Island both the Rogovin and Kemeny investigations into the accident recommended replacing the Commission with a single administrator. I know that there are those who believe that the Commission structure provides advantages over the single administrator, but I have come to believe that the Commission's effectiveness as a safety regulator—its primary function—is hampered by the Commission structure itself. I believe that a single administrator would more efficiently manage the agency and more effectively regulate the nuclear industry.

Title II of my bill would establish an Office of Inspector General within the Agency. Inspectors general are a common feature in nearly all executive departments. Although the NRC has established an Office of Inspector and Auditor [OIA] within the Commission, the director of OIA is appointed by the Commission rather than the President and it does not report to Congress on its activities or deficiencies in NRC programs.

The OIA's track record does not inspire confidence in its ability to perform the duties of an inspector general. Both the current director and her predecessor have been investigated for alleged wrongdoings. In 1981 the General Accounting Office issues a report critical of OIA's management and independence and recommended that Congress consider establishing a statutory Office of Inspector General.

Mr. Speaker, we are all aware of the current allegations of misconduct within the NRC. I have long believed that public confidence in the safety of nuclear power depends upon the integrity of the NRC. A statutory inspector general is necessary to restore credibility to and insure the integrity of the Commission.

Finally, Mr. Speaker, title III of my bill would establish an independent Nuclear Safety Board [NSB] composed of three members appointed by the President with the advice and consent of the Senate. The Board would have broad duties and authority regarding the safety of nuclear facilities and activities.

The idea for an NSB gained attention in 1979, in the aftermath of the accident at Three Mile Island when investigations into the accident uncovered disturbing facts. The investigations showed that prior to March 28, 1979 a series of seemingly modest mishaps at TMI and other Babcock & Wilcox [B&W] reactors had resulted from significant weaknesses in the B&W design. Had these events been properly investigated and if the lessons learned had been acted upon, the March 28 accident would not have occurred. TMI thus demonstrated the need to assure comprehensive inquiries into relatively innocuous reactor malfunctions.

Hal Lewis, a physics professor at the University of California at Santa Barbara and an early and articulate supporter of the NSB concept, proposed that an NSB be established to fulfill the need for improved investigations. Our colleague MICKEY EDWARDS, displaying his usual wisdom and foresight, saw the merits of the concept and he enlisted Professor Lewis to work with him in converting it into a legislative proposal.

The underlying rationale for setting up an independent agency was that the NRC, the agency responsible for licensing nuclear facilities and assuring compliance with regulations, could not be fully objective in assessing the causes of reactor malfunctions and accidents. At the same time it seemed to many of our colleagues that the argument for an NSB was not so overwhelming as to warrant setting up a separate agency.

As a compromise between a fully independent agency and reliance for investigations upon NRC line staff, the Commission established the Office for Analysis and Evaluation of Operational Data [OAEOD] within the NRC. Although the OAEOD has served a useful purpose it has not been accorded the stature necessary to assure that the lessons of reactor malfunctions will be incorporated into the Commission's regulations. Potentially dangerous events have continued to occur at operating reactors and the efforts of the OAEOD and other Commission investigating groups have left unanswered the important question as to why neither utilities nor the NRC had detected and corrected beforehand the weak links in the safety chain that caused these events. I believe that an independent nuclear safety board would fulfill this function.

Some of the Nuclear Safety Board's functions would be analogous to the National Transportation Safety Board, which investigates transportation accidents independent of the Department of Transportation [DOT] and recommends corrective measures to DOT. The Board would also assess the adequacy of Federal laws and standards relating to nuclear safety and make recommendations to the Agency and DOE as to specific safety measures which should be adopted.

Mr. Speaker, the time has come to make much needed changes in the NRC so that those responsible for regulating nuclear facilities and activities can concentrate on safety first. My bill, establishing the Nuclear Energy Regulatory Agency, an Office of Inspector General and an independent Nuclear Safety Board, would go a long way toward achieving effective nuclear safety regulation.

I will include in the RECORD a brief summary of the bill.

NUCLEAR ENERGY REORGANIZATION ACT OF 1987 SECTION-BY-SECTION SUMMARY, SEPTEMBER 9, 1987

Section 1 entitles the bill the "Nuclear Energy Reorganization Act of 1987."

Section 2 declares that the purpose of the bill is to enhance the effectiveness of nuclear safety regulation.

Section 3 contains the definitions for terms used in the Act.

TITLE I—NUCLEAR ENERGY REGULATORY AGENCY

Section 101 is the Table of Contents for Title I.

ESTABLISHMENT

Section 102 would establish the Nuclear Energy Regulatory Agency (Agency) as an independent regulatory agency to replace the Nuclear Regulatory Commission (NRC), and to assume all of its functions except for those reserved to the Inspector General in section 207 and the Nuclear Safety Board in Section 312.

OFFICERS

Section 103 would mandate a single Administrator to head the Agency, along with one Deputy Administrator and six Assistant Administrators whose functions the Administrator would prescribe. The Administrator, as well as the Deputy and Assistant Administrators, would be appointed by the President with the advice and consent of the Senate.

ABOLITION OF NRC

Section 104 would abolish the NRC.

TRANSFER OF APPROPRIATIONS, PERSONNEL AND INCIDENTAL TRANSFERS

Sections 105 and 106 would transfer the employees and assets, liabilities and property of the NRC to the Agency, while protecting the salaries of the affected employees.

Section 107 would provide for determinations of incidental transfers of NRC functions and disposition of assets by the Office of Management and Budget.

SAVINGS PROVISIONS

Section 108 would cause all effective orders, regulations, permits, licenses, etc. issued by the NRC to remain effective according to their terms.

This section would also (i) establish that this Act would not affect pending proceedings or actions commenced prior to its effective date, (ii) provide for appropriate substitution of parties in such actions, and (iii) subject the Administrator's actions to judicial review to the same extent at NRC actions.

REFERENCES TO NRC

Section 109 would establish that all references to the NRC in laws, rules, regulations, etc., regarding functions transferred to the Agency, would be deemed to refer to the Agency or Administrator.

TITLE II—OFFICE OF INSPECTOR GENERAL

Section 201 is the Table of Contents for Title II.

ESTABLISHMENT

Section 202 would establish an Office of Inspector General within the Agency, to be headed by an Inspector General (IG) appointed by the President with the advice and consent of the Senate. The IG would report to the Administrator or the Deputy Administrator, who could not interfere with the conduct of any audit or investigation undertaken by the IG. The IG may be removed by the President for cause.

Section 202 would also provide for Assistant Inspectors General for Auditing and Investigations.

Section 202(e) would place restrictions on the Inspectors General and Assistant Inspector General, prior to and during their terms, regarding certain financial or employment relationships with businesses involved in the generation of nuclear power.

DUTIES AND RESPONSIBILITIES

Section 203 would establish the duties and responsibilities for the IG, including:

To provide policy direction for and to conduct audits and investigations relating to programs and operations of the Agency;

To review existing and proposed legislation and regulations and to make recommendations as to their impact on the efficiency of the Agency's programs and operations, and to prevent and detect fraud and abuse in those programs and operations;

To recommend policies to improve efficiency or to prevent and detect fraud and abuse within the Agency;

To act as a liaison between the Agency and other governmental and nongovernmental entities in matters relating to efficiency or detecting fraud and abuse;

To keep the Administrator and Congress fully informed concerning its activities and investigations and to recommend corrective action.

Section 203 would also require that audits be conducted in conformance with the standards established by the Comptroller General of the U.S., and that the IG report to the Attorney General when he has reasonable grounds to believe there has been a violation of Federal criminal law.

REPORTS

Section 204 would require the IG to prepare reports summarizing the activities of the Office every 6 months. Each report must include: significant problems and abuses discovered; recommendations for corrective action; updates as to implementation of previous corrective action recommendations; a summary of prosecutions referred to authorities and resulting convictions; a summary of reports to the Administrator under section 204; and a listing of every audit report completed.

The reports would be furnished to the Administrator and the Nuclear Safety Board by April 30 and October 31 of each year and transmitted by the Administrator to the appropriate Congressional Committees within 30 days, along with the Administrator's comments.

The reports would be available to the public on request within 60 days after transmittal to Congress.

Section 204 would also require the IG to report immediately to the Administrator those problems, abuses or deficiencies which are "particularly serious or flagrant." The Administrator would be required to transmit such a report to Congress within 7 calendar days, along with the Administrator's comments.

INVESTIGATIVE AUTHORITY

Section 205(a) would provide that the IG, in carrying out his functions: have access to all relevant documents and materials available to the Agency: investigate, make reports and request information and assistance from other governmental agencies as necessary; have subpoena power (enforceable by court order) to require production of documents and information; have direct and prompt access to the Agency; select and employ such people as necessary; and enter into contracts in amounts provided for in advance in appropriation Acts.

Section 205(b) would require the cooperation or assistance of other Federal agencies upon the IG's request.

Section 205(c) would provide for appropriate office space and equipment at the Agency's offices.

EMPLOYEE COMPLAINTS

Section 206(a) would allow the IG to receive and investigate employee complaints or information regarding illegal activities, fraud, waste, mismanagement, abuse of authority and specific danger to the public health and safety.

Sections 206 (b) and (c) would protect the confidentiality of the employee(s) providing such information or complaints and protect such employee(s) from reprisals unless their actions were made with knowledge of the falsity of information or willful disregard for its truth or falsity.

TRANSFER OF FUNCTIONS

Section 207 would transfer the present NRC Office of Inspector and Auditor to the Office of Inspector General, along with any other functions or duties the Administrator may determine are appropriate, except for any program operating responsibilities.

TITLE III—NUCLEAR SAFTY BOARD

Section 301 is the Table of Contents for Title III.

ESTABLISHMENT AND COMPOSITION

Section 302 would establish the Nuclear Safety Board (Board) as an independent agency. The Board would be composed of 3 members appointed by the President, with the advice and consent of the Senate, with no more than 2 members from the same political party.

Section 302(b) would place restrictions on Board members, prior to and during their terms, regarding certain financial or employment relationships with businesses involved in the generation of nuclear power or businesses involved in nuclear activities under contract to the Department of Energy.

Section 302(c) would require the President to name a Chairman as chief executive officer of the Board, with organizational and administrative duties. The Chairman would name an Acting Chairman to act in the Chairman's absence.

Section 302(d) would establish terms of 6 years for Board members (with the first Board serving staggered 2, 4 and 6 year terms). All members may be reappointed and may be removed by the President for cause.

Section 302(e) would provide that two members constitute a quorum of the Board and that actions of the Board would be determined by majority vote. Any number of Board members would have the authority to hold hearings.

GENERAL DUTIES AND AUTHORITY OF THE BOARD

Section 303 would give the Board broad duties and authority including:

Reporting to the President and Congress on the safety of nuclear facilities and activities, including legislative proposals;

Assessing the adequacy and effectiveness of Federal laws, regulations and standards relating to nuclear safety, including reports to the President and Congress;

Investigating events at nuclear facilities, or involving nuclear material, which the Board determines to be significant in terms of potential effects on public health and safety. This would include the power to request the Administrator of the Nuclear Energy Regulatory Agency (Agency) or the Secretary of Energy to investigate such events and report findings to the Board for analysis and recommendations;

Analyzing operational data from any nuclear facility for potential safety implications;

Conducting studies or evaluating suggestions pertaining to nuclear safety;

Making recommendations to the Agency or DOE as to specific safety measures which should be adopted;

Establishing reporting requirements binding on those who are involved with nuclear facilities or nuclear material regulated by the Agency; and

Reviewing and reporting on safety studies and facility license applications referred to it.

SPECIFIC POWERS OF THE BOARD

Section 304 would allow the Board to hold hearings, take testimony and other evidence, summon witnesses, issue subpoenas, conduct inspections of facilities or property where a significant event (see section 303) has occurred, obtain autopsy and other medical information about deaths occurring as a result of a nuclear accident, and seek enforcement of its subpoenas or other orders in Federal court.

Section 304(f) would prevent any report of the Board relating to a nuclear accident or investigation of the Board from being used as evidence in any action for damages arising from matters mentioned in the report.

GENERAL ADMINISTRATIVE POWERS OF THE BOARD

Section 305 would allow the Board to obtain official data from other federal agencies or instrumentalities, including material classified or protected from disclosure under the Atomic Energy Act of 1954. This section would also allow the Board to require federal, state or local governmental agencies, or any person engaged in interstate commerce, to respond to requests for information.

Section 305 also would authorize the Board to delegate its authority to employees or agents of the Board, to enter into contracts, to establish liaison with other agencies, to appoint advisory committees and to establish rules and regulations necessary to the exercise of its functions.

PUBLIC ACCESS TO INFORMATION

Section 306 would require the Board to make all information it receives available to the public, except trade secrets, safe-guards

or classified material, or other information protected from disclosure by law.

RESPONSE TO BOARD RECOMMENDATIONS

Section 307 would require the Administrator of the Agency or the Secretary of Energy to respond in writing to each Board recommendation regarding nuclear safety within 90 days of receiving the recommendation. Such responses would have to describe the procedures to be used to implement the recommendation or contain a detailed explanation as to why the recommendation was not being adopted. The recommendation and responses would be available to the public.

CIVIL PENALTIES

Section 308 would require the Board to impose civil penalties for violations of reporting requirements (established under section 303), after written notice and an opportunity for hearing.

JUDICIAL REVIEW

Section 309 would subject all Board orders to judicial review if appealed within 60 days.

ANNUAL REPORT

Section 310 would require the Board to submit an annual report to Congress, including:

Finding required under section 303(1) and (2);

A summary of investigations conducted and recommendations made;

An evaluation of Agency and DOE efforts to investigate and prevent nuclear events affecting the public health and safety;

Recommendations for legislative and administrative actions regarding nuclear safety.

STAFF AND SUPPORT SERVICES

Section 311 would allow the Board to hire a staff of not more than 50 full-time equivalent officers and employees and to employ up to the equivalent of 12 full-time experts or consultants. This section also would allow the Board to borrow, on a reimbursable basis, personnel, facilities, and equipment from other government agencies, and to use the mails like other federal agencies.

Section 311 also would allow the Board to accept donations of services, money or property.

TRANSFER OF NRC FUNCTIONS

Section 312 would transfer to the Board the functions of the NRC Office for Analysis and Evaluation of Operational Data, and other functions the Administrator deems appropriate except for program operating responsibilities, and the functions of the Advisory Committee on Reactor Safeguards. The Advisory Committee on Reactor Safeguards would be abolished by Section 312.

TITILE IV—CONFORMING AMENDMENTS AND EFFECTIVE DATE

COMPENSATION

Section 401 would amend federal executive compensation schedules to provide compensation of the Administrator, Deputy Administrators and Assistant Administrators of the Agency, the Inspector General and the members of the Nuclear Safety Board.

EFFECTIVE DATE

Section 402 would make the Act effective 120 days after the date of enactment, or on an earlier date if the President so prescribes and publishes in the Federal Register.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 5 minutes.

[Mr. LUNGREN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

REFORM OF McCARRAN-WALTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, today I am introducing, by request, and executive branch proposal to revise the ideological grounds of exclusion of the Immigration and Nationality Act.

My introduction should not be construed as total support, but it is the first step by this administration to recognize that the exclusion provisions of the McCarran-Walter Act are outmoded and in urgent need of revision.

Congressman FRANK has also proposed legislation to revamp the 33 grounds of exclusion (H.R. 1119), including the grounds covered by this bill. His legislation was the subject of hearings by the Subcommittee on Immigration, Refugees, and International Law in 1984 and again this year.

The administration bill will be an important component in the processing of remedial legislation. The Select Commission on Immigration and Refugee Policy in 1981 also recommended comprehensive revision of the grounds of exclusion.

I am pleased to see this significant step by the administration and I look forward to their continued cooperation as the Congress considers necessary changes in this area.

SAN BENITO LITTLE LEAGUE ALL-STARS HAVE BANNER SEASON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, It is my pleasure to bring to the attention of my colleagues the marvelous baseball season recently completed by the San Benito Little League All-Stars, who represent San Benito County, CA, in the 16th Congressional District.

The San Benito All-Stars were 1987 champions of northern California and came within one game of going to the Little League World Series in Williamsport, PA. Only a loss to Northwood Little League of Irvine, CA, in the final of the Western Regionals at San Bernardino prevented them from going all the way to the World Series, but not before the San Benito team had defeated squads from Colorado, Montana, and Hawaii to set up their appearance in the regional final.

The team members are Fred Avalli, Anthony Bautista, Jose Castillo, Eddie DeLuna, Anthony Escamilla, Abram Pasillas, Joey Pena, Felipe Quintero, Mikey Razo, Mondo Razo, Mark Salcido, Bryan Smith, Randy Solano, and Chad Stevens. The team manager is Beto Ramirez, and the coach is Alan Thomas.

I would like to include in the RECORD a news article from the Hollister Free Lance which provides some additional background on the San Benito All-Stars' exciting season. I hope my colleagues will find it interesting, and I know they join me in extending heartfelt congratulations to the team.

THE DREAM SEASON

(By Greg Rudder)

The dream for San Benito Little League's All-Stars is over, but not before 21 games of memories and emotions that will be talked about for years were played.

The Hollister stars finished 17-4, champions of District 9, Section 4 and Northern California. No Hollister team has ever accomplished what the 1987 all-star club did in finishing second in the 14-team, 13-state Western Region of the United States.

In last week's Western Regionals at San Bernardino, SBLL lost 15-0 to Northwood LI, of Irvine in the final before a crowd of 10,000 people. The winner earned a spot as the West representative in the 8-team Little League World Series in Williamsport, Pa.

Manager Beto Ramirez' club matched solid, balanced hitting with three top hurlers. The club was labeled "San Burrito" by some misguided opposing fans at the sectionals in Mission San Jose and the "Eliminators" after coming back from the losers' bracket to win the NorCal crown. All in all, the stars were made of a lot beef.

The squad of 13 12-year-olds and one 11-year-old buried the ghost of the 1983 SBLL All-Star team, which lost in the NorCal final.

Not only did the boys learn a lot more about themselves and baseball from the tournament exposure, but they also were able to visit Disneyland, go to a professional baseball game at Angels Stadium and live life on the road away from home for about two weeks. They meet many new friends.

During all-star play, SBLL ripped 23 homers and relied on the pitching of Jose Castillo, who was 7-1 on the mound, Mikey Razo (6-2) and Anthony Bautista (4-1). Ironically, in the end, the Hollister stars—weary and tired form an active pressure-filled slate of games including nine in nine days at one point—ran out of pitchers for the regional final.

Right fielder Mondo Razo ripped seven homers in the tourneys and smacked three roundtrippers against Billings Heights Nationall LL of Montana at the Western Regionals. Third baseman Abram Pasillas smacked four homers.

Through each step and level of the all-stars' play, there always emerged a new hero, Castillo pitched four straight complete games through the hardest part of the rise. Mondo Razo ripped the three homers in one game. Catcher Anthony Escamilla won two games with thrilling late-in-the-game homers. First baseman Chad Stevens knocked home a winning run and injected adrenalin into a "flat" Hollister team at the NorCal tourney. Mikey Rizo hit a homer and was one walk from a perfect game in the Western Regional opener. The list can go on.

It was a season of highs—peaks that were almost obscured by how often and many games the stars had to play and win—culminating with the club finishing just one 6-inning win short of a trip to the Little League World Series.

REPORT ON TESTIMONY HEARD JULY 27 IN MIAMI, FL, BY THE COMMITTEE ON EDUCATION AND LABOR

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Indiana [Mr. JONTZ] is recognized for 60 minutes.

Mr. JONTZ. Mr. Speaker, I have requested this special order so that my colleagues and I might come before the House to report on the testimony we heard last July 27 at a hearing held by the Education and Labor Committee in Miami, FL. Representative OWENS of New York, Representative HAYES of Illinois, and I traveled to Miami to hear testimony from average working people: telephone workers, airline pilots, flight attendants, airline mechanics, bus drivers, and construction workers. The common element connecting their stories was that they were all, in one way or another the victims of the economic policies of our Federal Government.

Now we have often heard over the past several years about victims of Federal Government policy. We have heard most often about the businessmen, the corporate citizens, overwhelmed by Government forms or plagued with Government requirements. No doubt some of those victims deserved relief. However, the victims we heard from in Miami were different. They were the average working people who have suffered the brunt of the administration's policy. And they deserve help too.

In 1981 when President Reagan took the helm, he began instituting a wide range of policies designed to release American business from the fetters of Government regulation. The President's theory was to get the Government out of the way of business and let the free market work.

The administration's approach rested on three major tenets: deregulation, privatization, and investment and regulatory policies which allow and promote unrestrained mergers, buyouts, and acquisitions by corporate America. Last week in Miami, we heard evidence of the drastic effects that these policies have had on working people and the American public.

That testimony was helpful, first of all, in pointing out how the public suffers from the current climate with regard to working people in this country; how the public suffers from unsafe buildings and unsafe buses, from higher taxes, from delays and risks in the airline industry. There is no question that the public is paying a very high price for these policies which the Federal Government is now pursuing.

The testimony also pointed out how individual workers and their families pay a high price for these policies. The death of a construction worker, the stress put on an airline pilot, setbacks for Hispanic and black employees: It is clear that the individual worker is bearing much more of the burden than should be the case.

Those testifying perhaps emphasized less the economic cost than some other kinds of costs that workers are paying; which is good because it is all too easy for us to put these things in solely economic terms. But it seems to me, coming from the Midwest, that when you have a loss of good jobs, when you have a two-tiered compensation system for flight attendants, when you have layoffs and people working only part time, that we all pay a great deal from the perspective of our national economy.

In my district we produce lots of things, from popcorn to automobiles. Probably anyone who has bought an American-made car has a part in it coming from my district. When people who live and work in Miami are not earning a good income, that diminishes their capacity to purchase those products.

On the other hand, when we lose those good jobs in Indiana—and we have lost about 150,000 manufacturing jobs since the late 1970's—that reduces our ability to get on an airplane and travel to Florida and contribute to the economy there. So the entire country suffers when a worker is set back anywhere. When a worker is laid off or hired at a lower wage or when an experienced worker quits his job because of stress and takes another job at a lower wage, the entire country suffers.

Our country needs good jobs. We do not need workers and their families subjected to the stress and the difficulties we heard described in Miami. I would not describe those jobs as good jobs. I think we should have a system politically and economically in this country where Americans have a chance to work hard at a good job.

One of the major subjects of our Miami hearing was deregulation of the airline industry. Deregulation has brought low airfares for those people who live in the largest cities, who fly between 11 a.m. and 3 p.m., Tuesday through Thursday, stay over Saturday night, and buy their ticket in advance forfeiting any possibility of a refund. For many others deregulation means higher fares, cancellations, flight delays, lost luggage, and decreased safety.

For airline employees, deregulation has lengthened working hours, cut pay and benefits, canceled pension funds, and disrupted labor-management relations. Many employees have lost their jobs outright through layoffs, mergers, or lockouts. Many others have been stressed to the breaking point resulting in deteriorating health, breakup of their families and, in some cases, suicide.

We listened, in Miami, to the testimony of a flight attendant who was disciplined for missing work after being assaulted, raped, and held hostage in her apartment.

We also heard an Eastern mechanic with 7 years seniority who lost his job because he missed work for 1 day and 5 minutes due to a diabetic condition.

Probably most disturbing of all, we learned of a pilot required to fly a plane he considered unsafe.

Texas Air's approach to labor relations at Eastern has resulted in a dramatic rise in employee grievances, disciplines, and terminations.

Texas Air is going after its Eastern employees through their pocketbooks too. Although Eastern has been profitable in the first two quarters of 1987, management is now planning to cut wages and benefits by $490 million. This reduction is in addition to $238 million in concessions already made by flight attendants, pilots, and other employees.

At the same time we should ask whether, even if the brunt of deregulation has fallen hardest on airline employees, does the public have a better, safer, cheaper air transportation system today? No Member of this body who depends on air transportation to and from their district will think twice about that answer.

Robert Crandall, chairman of American Airlines, has recently called on Congress to enact a "bill of rights" for employees in the airline industry. He reasons that such a law would prevent carriers from competing at the expense of their employee's wages, benefits, and job security. He specifically called on Congress to mandate pension programs and medical coverage for retirees. I agree with Mr. Crandall.

The second industry addressed at the Miami hearing was the telecommunications industry, in particular the divestiture of AT&T, and its effects on employees. Since divestiture, jobs in basic telephone service have been reduced at the rate of 5 percent a year, more than 53,000 jobs in an industry which is expanding. These reductions means a reduced commitment to quality telephone service. There are simply fewer telephone workers to take orders, test lines, perform repairs, answer billing questions, install new service, or do the other jobs necessary to the maintenance of quality service. At the same time, basic telephone service rates have escalated sharply.

The human toll of divestiture is not limited to lost jobs. A never ending program of job shifting and consolidation has made insecurity a way of life for telephone employees. We heard from Thomas Carrao, a 17-year employee at an AT&T Miami distribution facility. When the decision was made to close that facility, Mr. Carrao was denied transfer to a comparable job in Atlanta while other less senior and lower paid Miami employees were

transferred there. Mr. Carrao was instead offered the choice of a job in Orlando at half his current salary or layoff.

Unable to support a wife and four children at the lower paying job, Mr. Carrao was forced to look for work elsewhere. After weeks of frustration looking for a job at a decent wage, Mr. Carrao began drinking heavily, and his wife suffered a nervous breakdown.

Fortunately, he finally found a job with a company contracted to AT&T. Mr. Carrao was highly qualified for this work; it was the same job he'd worked before his layoff. The only difference was the salary was 25 percent less.

This kind of story has been repeated across the Nation. In my district, David Musall of Marion had 14 years with Indiana Bell at the time of the divestiture, and he was transferred to ATTIS—AT&T Information Services—in Fort Wayne. He sold his home and moved the 50 miles to Fort Wayne. Two months later he was laid off from the Fort Wayne job and offered a job in Carmel, IN, 100 miles in the other direction.

Again, a Federal policy promoting the unfettered decisions of corporate America made no provision for the devastation heaped on the lives of American workers.

Another of Federal policy we looked at was privatization, the transfer of traditional Government sector work to private industry.

Testimony we heard in Miami illustrates that contracting out work frequently costs more, not less than apparent savings are often an illusion because many real costs are not considered. A new layer of bureaucracy is created to deal with the bidding process, administering the contract, and monitoring results.

We heard testimony about the Metro-Dade Transit System where the push is on to contract out mechanical repair. Management says that in-house inventory costs are too high and turnaround time on repairs is too long. Yet, the employees testified that the high in-house costs result in large part from the necessity of reworking repair jobs returned from contractors.

Theoretically, it may be possible for Government to spend a similar amount of money to provide similar services either directly or through a contractor. However, when Government does the work itself, it is more likely to create a number of jobs for middle-class workers with the attendant fringe benefits. In the private sector, on the other hand, adequate salaries and fringe benefits will likely be sacrificed to provide greater profit for the contractor company. Jobs with lower wages and benefits are created, and middle-income jobs are eliminated.

When you come from the Midwest as I do, the economic problems we face often seem synonymous with those of the auto and steel industries, industries short on capital, long on outmoded capacity, and faced with growing international competition. I think, perhaps, when we see these problems we tend to look at the trade bill and say, well this is the answer. But, in fact, privatization, corporate mergers and acquisitions, and deregulation are affecting us too, and the Miami hearing certainly helped to broaden my perspective on the problems working people are facing.

I would like to put forward another idea as a way of looking at these problems. That is the idea that we ought to try to get Government back on the side of the average citizen. It seems to me that what we heard in Miami were stories of people who were quite willing to go out and put in a fair day's work to try to make a better life for themselves and their families, but who were thwarted—not because they were not willing to make the effort—but because the rules were stacked against them.

Under these circumstances, I think we have to ask is our Government functioning to help the average citizen, or is the Government standing in the way of the average citizen?

Clearly, in these cases, where we see the effects of deregulation and privatization, and the effects of a national labor relations system that is not working, and all of the other situations we heard testimony on, Government is not on the side of the little guy.

Maybe too often, Mr. Speaker, we get caught in the wrong debate when we try to move new legislation. Whether it is on plant closing, or family leave, or whatever, we get accused of trying to bring about more Government; that we are trying to increase the role of Government, and we know that that is not a popular thing.

I would suggest that what we ought to do is reframe these questions into a debate over whose side is the Government going to be on? Is our Government going to be on the side of the flight attendant? Is our Government going to be on the side of the mechanic? Or is this Government going to side with the vested interests, who certainly do not need another, extra, voice? They have plenty of means to get their point of view heard.

I think that one idea this country was founded on was the idea that the Government exists to further the rights and well-being of the average citizen. That when the average citizen does well, the country does well.

No, Mr. Speaker, the overall effect of deregulation, privatization, and merger mania has not been to revitalize American industry. The effect has been to degrade work in America. The strength of America has always been vested in its middle-class working people, in their aspirations for a better future for themselves and their children. Today we are frustrating those aspirations, and in doing so we are gambling with our future.

We seem to have forgotten how much the well-being of our Nation depends on the strength and welfare of its working people. In the name of free enterprise, we have allowed the protections of our labor laws to lapse. We have adhered to a philosophy which praises the entrepreneurial spirit, but ignores the social cost. For our efforts we have reaped a stagnant economy where the gap between rich and poor is widening; an economy where the standard of living of the American worker is slipping backward, and where parents can no longer assume a better life for their children.

Thank you, Mr. Speaker.

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Mr. Speaker, I yield to the gentleman from Illinois [Mr. HAYES] for the gentleman's comments on our hearing.

Mr. HAYES of Illinois. Mr. Speaker, I thank the gentleman for yielding.

I rise today with my distinguished colleagues, MAJOR OWENS and JIM JONTZ, to share with all the Members of the House of Representatives a short summary of the Committee on Education and Labor's hearing in Miami, FL, on July 27, 1987.

The Industrial Union Department of the AFL-CIO coordinated "Jobs With Justice" campaign with the active participation of eight major affiliates. Their campaign is aimed at exposing and correcting growing corporate abuse of American labor law which has had very serious consequences for millions of American working people. The hearing explored and documented corporate threats to the employment security and existing living standards of working people. Some of the testimony focused on corporate America's offensive on the right of working people to organize to protect these fundamental rights.

The Miami hearing also focused on the impact of deregulation on working people, labor-movement relations, and the community. Many prominent union leaders and economists gave testimony on the impact of deregulation on their members, followed by individuals who shared their personal experiences and suffering as a result of deregulation in their industry. Among other things, the witnesses stated that:

While Texas Air and Eastern are spending hundreds of millions on takeovers, they have asked and received permission from the IRS to forego their $70 million pension payment which they owe to their employees' pension funds. Why must retired

workers subsidize corporate profits for shareholders?

Deregulation has led to insignificant deterioration of labor relations, the quality of workers' lives, and threatens the economic welfare of the entire community.

Pilots at Continental are stripped of human dignity and are intimidated into signing documents stating that they are happy employees.

Black or Hispanic transit workers are forced to work 14-hour days without lunch—paid or unpaid—whose pay will be cut by $6,000 per year as a result of privatization.

A Gainesville maintenance mechanic earned a middle-class living until his work was privatized. As a result, he continued in the same job, in the same work location, earning near minimum wage. The private contract experiment failed and the worker started as a public employee again at the bottom.

Middle-age telephone workers with 20 years' seniority are now facing uncertain futures as a result of deregulation.

Members of the Committee on Education and Labor and other Members of Congress have become increasing aware of the recent negative impact of corporate mergers, acquisitions, buyouts, and sellouts, that have resulted in an increasing hostile environment for the working people in America.

Many of those who advocated deregulation of particular industries argue that deregulation would produce economic opportunities for more companies to participate in rewards and profits of American business. It was suggested that this greater corporate participation would increase the number of new jobs created and raise wages of working people.

Early in 1986, as part of the take over at Trans World Airlines [TWA], concessions were sought and agreed to with several of the unions, but the negotiations with the Independent Federation of Flight Attendants [IFFA] fell apart when twice as much in salary reductions and increased workloads were demanded. In a recent hearing held by the Subcommittee on Labor-Management Relations, Committee on Education and Labor, Victoria Frankovich, president of IFFA, stated that Mr. Icahn stated that "flight attendants did not need the money because they were 'second income' earners and not 'breadwinners' like the male employees." IFFA has about an 85-percent female work force and many are single-parent households. I find Mr. Icahn extremely insensitive to the needs of working women, in particular and working people in general.

I believe that it is a very important part of our oversight responsibility to be sure that the laws enacted by the Congress are being implemented in the manner intended by the Congress. It was not our intent to create a business environment where the rights of working people to negotiate and bargain collectively with an employer would be eroded. These field hearings provided a focal point for the growing concerns and need of American working people.

The "Jobs With Justice" campaign asks for three simple opportunities:

The right to job security for all American workers, both union and unorganized;

The right to an adequate and fair standard of living; and

The right to organize on the job.

America is wealthy and powerful. There is enough opportunity for business and working people to prosper in this positive environment. But I am concerned by the increase of these negative incidents in the American business world. I want my colleagues and the American people to know that concerned Members of Congress are becoming increasingly aware of the plight of working people and we stand firm in our resolve to protect working peoples rights.

Mr. Speaker, in addition, I would like to include a copy of the Communications Workers of America, AFL-CIO, CWA News, "The Faces & Stories Behind Jobs With Justice" dated August 1987.

The article referred to follows:

[From CWA News, August 1987]

CWA, UNION LEADERS KICK OFF "JOBS WITH JUSTICE" CAMPAIGN

CWA President Morton Bahr and the leaders of some of the nation's largest labor unions held a news conference on June 23 to announce the kick-off of "Jobs with Justice: A Campaign for Workers' Rights."

The campaign, aimed at restoring workers' rights, will focus on local actions. Union members throughout the country will be circulating cards asking co-workers to pledge to participate in five workers' battles during the last year.

The unions are calling for the right to job security for all American workers, both union and unorganized; the right to an adequate and fair standard of living; and, the right to organize on the job.

"For far too long workers and their unions have been on the defensive," Bahr declared. "Well, today we draw the line and say, enough is enough.

"There are 15 million American workers organized in unions. We're asking these workers to sign a pledge, to make a commitment," Bahr explained. "The pledge is simple, it says, " 'I'll Be There at least five times during the course of the next year to support other workers' battles for justice as well as my own.' "

United Auto Workers (UAW) President Owen Bieber said that the Jobs with Justice campaign is designed "to mobilize, agitate, and educate" the American public. He said, "The time is now to act against unfair trade competition, plant closings and corporate takeovers which devastate lives."

Bieber stressed that the goal of the campaign, which is being spearheaded by the Industrial Union Department (IUD) of the AFL-CIO, is to mobilize tens of thousands of union members and all workers into a positive campaign to restore workers' rights.

International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (IUE) President William Bywater said, "Corporate America is involved in an onslaught against working people. We have all witnessed and felt the erosion of workers' rights in this country over the last decade. But, the American people are waking up, there is a change of attitude."

By joining in these actions, union members and the general public "can demonstrate support for a positive vision of Americans' future for themselves and their children," noted Bywater.

The union leaders explained that the campaign would consist of a series of activities including rallies and congressional hearings, to build unity and support for workers' rights.

Richard Trumka, president of the United Mine Workers of America (UMW), added, "Our way of life will not be maintained by a national policy that decrees, by design or default, the destruction of millions of jobs in our basic industries, and their replacement by dead-end, minimum-wage employment that can only bring poverty to American working people."

Bahr emphasized the goals of the campaign:

To raise the issues important to working people to the front burner;

To mobilize tens of thousands of workers around the country through the "I'll Be There" pledge; and,

To call for a series of activities including rallies and congressional hearings throughout the country to help build unity and support for workers' rights.

In conjunction with the Washington, D.C., news conference, a Jobs with Justice rally, led by the International Association of Machinists (IAM), was held in Miami. The rally was called to demand congressional hearings into worker abuse and to draw public attention to the erosion of job security and the standard of living in Florida.

Over 3,500 union workers, in coalition with community and religious organizations, attended the noon demonstration at Eastern Airlines on June 23.

"I'm glad that Miami has been chosen as the launch site for this campaign. Good, secure jobs have been disappearing rapidly in that area of the country," said IAM President William Winpisinger. "Miami's economy is heavily dependent on the airline industry. Workers and communities all over South Florida have seen the devastating effect of opening our skies to pirates like (Eastern Chairman) Frank Lorenzo and the like."

Florida AFL-CIO President Dan Miller, addressing the press conference via telephone from the rally in Miami, reported, "There is something very powerful going on here. Today's action was great, but it is just the beginning."

Miller noted that 63 unions and 23 community, religious, women's and civil rights organizations were involved in the Florida rally. "We have touched a nerve among workers in this city," he declared.

The next action is also planned for Miami where a mass rally will be held on July 29 during CWA's annual convention.

Other unions supporting the campaign are: American Federation of State, County and Municipal Employees (AFSCME), Amalgamated Clothing and Textile Workers Union (ACTWU), Service Employees International Union (SEIU), Transport Workers

Union (TWU), United Food and Commercial Workers Union (UFCW), United Paperworkers International Union, and United Steel Workers of America (USW).

[From CWA News, August 1987]

HARD HIT CWA MEMBERS TELL WHY WE NEED "JOBS WITH JUSTICE"

WE'RE READY TO FIGHT BACK

Jobs with Justice demands:

The right to job security for all American workers, both union and unorganized;

The right to an adequate and fair standard of living;

The right to organize on the job.

CWA is part of "Jobs with Justice," a nationwide coalition of labor unions, religious, civil rights and women's organizations, community groups, elected officials, and other citizens working together to build unity and support for workers' rights in America.

As the following personal CWA members' stories demonstrate, no one is safe from today's management tactics, no matter what their age, years of service, or job status. Some workers are losing secure jobs through divestiture and deregulation. Others are seeing their jobs contracted out to lower-paying, non-union firms. Still others are facing continual employer pressure for contract concessions.

These stories are representative of the millions of workers whose living standards and ability to provide for their families are under attack by a new generation of corporate robber barons.

AFTER DIVESTITURE: ONE WORKER'S ODYSSEY

Tracy Stintzcum grew up in a Bell System family, with her mother and stepfather each having more than 25 years of service with Bell of Pennsylvania. So it was only natural that, in 1974, she went to work for that company as a storekeeper.

"I grew up with the idea that working for the phone company meant that you did a good job and in return you had some security," she said. "But with divestiture, that sure has changed."

For more than eight years, Stintzcum worked happily for Bell of Pennsylvania, enjoying the positive work atmosphere that strong union representation created. Then for personal reasons she moved to Arizona and her trouble began.

Despite her years of experience, Mountain Bell wouldn't hire her. "They said things were too uncertain because of divestiture coming," she recalled.

Eventually, she found a job with AT&T in Denver as a general clerk, sorting mail for customer billing. The company said it couldn't give her any wage credit for her past Bell System service, and that seniority credit for other purposes would not be added for five years.

"I had been making $450 per week at Bell of Pennsylvania," Stintzcum said, "and now I was getting less than $200 per week."

In December, 1984, she transferred to a Customer Service and Support Operations center, handling repair service calls. But AT&T soon closed the center and moved the work to Dallas.

"Since I was considered to be low in seniority, I didn't have many options for work in Denver, so I took a job with ATT-COM as an operator, with another pay cut of $25 per week," she said.

Next, ATT-COM began to circulate papers for operators to transfer to Mountain Bell as part of the reorganization resulting from divestiture.

"After the papers were all signed, they told us we actually would be working for a new, unregulated subsidiary called Mountain Bell Service Link," Stintzcum said, "I also found out I was stuck with another pay cut." (Ed Note: CWA is protesting this pay cut.)

"It is not just the lower pay and the fact that if there is a layoff today I am considered to have three years seniority rather than fourteen. But, the whole attitude of management has changed a lot too."

Stintzcum's first job with AT&T in Denver was non-union, and she remembers working there as a "nightmare. There was no such thing as due process," she said. "Discipline was applied left and right without any sense of fairness."

Stintzcum helped organize the data center, and became an area representative after the election. "I can remember giving a grievance to a supervisor and having him ball it up and throw it in the trash," she said. "Another time I insisted that we get a relief period when we were working six hours of forced overtime, and they tried to put something in my file accusing me of starting a work slowdown.

"In a lot of cases the philosophy of 'treat people well and they'll work hard' seems to be gone," she added. "Even though out west here we're surrounded by right-to-work country, we have to take on the challenge of organizing people, because that's the only way we can protect ourselves."

BATTLING RACISM AND "PRIVATIZATION"

For 20 years, Jerlean Hunt has been serving the food for banquets at Stephen F. Austin University (SFA) in Nacogdoches, Texas. The typical banquet she serves is organized as a thank-you to people active in school or civic organizations.

But there is never a thank-you for Hunt and her co-workers. Instead, the university has contracted out their jobs. While they were able to work through CWA to win promises of continued employment, their pay has been cut and dozens of workers have been fired or forced to quit by management harassment tactics.

"When I first hired in at the cafeteria, I was young and I didn't know anything about my rights," Hunt remembers. "I was bringing home maybe $100 a month, and that was that. Later on, some of the people filed a lawsuit over discrimination, and that brought a lot out into the open."

The lawsuit showed that black and female workers were not given promotional opportunities, but instead were used to train white males for higher paid positions.

University personnel officials even were told to circle the "n" in Stephen or Austin to indicate a "Negro" job applicant. Those applicants then were offered only low-paid jobs.

"I went to a meeting in November, 1983, where we decided to organize a committee of the Texas State Employees Union (an affiliate of CWA)," Hunt recalls. "TSEU helped us reach a settlement of the discrimination lawsuit and set up a system to enforce it."

The settlement is expected to bring the workers about $15 million in back pay. Job openings must now be posted and career ladders developed.

Throughout 1984, TSEU committee members successfully gained the support of other workers and monitored management practices on the job. The university responded in January, 1985, by announcing that it would contract out the food service operation to ARA Services, a private firm, even though the existing work force was generating up to $1 million per year in revenue. This tactic of "Privatization" has become popular among public employers throughout the nation, threatening the jobs of many of CWA's 80,000 public worker members.

TSEU members responded with a grassroots campaign of lobbying university officials and the legislature, educating the news media, building a coalition with groups like the local NAACP and NOW chapters, and demonstrating solidarity on the job.

"Through the union, we were able to win an agreement that ARA would use the same people and preserve our pay and working conditions, but the university hasn't made them live up to it," Hunt reported.

"They kept my pay rate the same, but for most of us they cut our hours way back, and they did things like not paying us for breaks anymore, so my paycheck is about half what it used to be. I'm working another job too, as a maid in private homes, or my husband and I would really be in trouble," says Hunt.

ARA has cut the work force in half through a variety of tactics. Workers were fired for going on maternity leave or using their sick leave rights. Others were subjected to harassment that forced them to quit.

"As they started to cut back on the help, people were having to do the work of two or three jobs at a time," Hunt said. "My brother-in-law had his supervisor riding him all the time, saying 'you are going too slow.' "

"Then they cut his hours to about 12 hours a week, and he had to quit. He has a family with a bunch of kids, and he's been looking for another job now for a year and a half. They're just getting by on his wife's salary."

With the work contracted out, the university claimed that TSEU couldn't represent the workers because they weren't state employees. The workers then collected 124 out of 142 cards asking the National Labor Relations Board to hold an election so ARA would have to bargain with CWA. But ARA argued that the NLRB did not have jurisdiction, and the union's petition was tied up for nearly two years of NLRB proceedings.

Finally, the NLRB scheduled an election for July 15.

[EDITORS NOTE.—As the CWA News was going to press, the NLRB once again delayed the election for at least a month as a result of further management stalling efforts.]

"Since the election date was announced, we've been visiting everybody at home to talk about the union," Hunt said. "The first time I walked into somebody's house like that, I was kind of shy, but now I'm used to it and it's fun. People see that we've all got the same problems.

"We've given the university our best service for a long time, but they didn't appreciate it. No matter how long it takes us, we're going to keep working through the union until they start treating us right."

BEATING UNION-BUSTERS "BY THE BOOK"

On Monday morning, March 2, as the early morning sun rose on San Francisco Bay, Ken Collmer and his fellow customer service technicians reported in for what they knew would be a very unusual work day.

To start with, their employer, PacTel InfoSystems, wasn't expecting to see them. With their contract having expired the previous Friday, the company thought it had provoked a strike and had replacements on the scene ready to work.

Ignoring the scabs. Collmer and the regular technicians prepared to do their normal duties—but with a difference. Always a highly committed, dedicated group of workers, the techs came to the job this day having decided to do only what was required . . . no more, no less. There would be no extra effort, no favors for the company, no shortcuts, no overtime.

"We had a more effective strategy than a strike in this situation," said Collmer, "and considering what the company was trying to pull on us, we had no choice but to do something."

The dispute began in November, 1986, when the Northern Telecom western sales and service operation, whose technicians were represented by CWA Local 9415, was purchased by Pacific Telesis.

Telesis, which employs more than 44,000 CWA members, bought the Northern Telecom operation through its unregulated subsidiary, PacTel InfoSystems (PTIS).

Telesis and its regulated subsidiary, PacBell, claim to be model employers with a philosophy of "cooperation" with workers and their unions. But when negotiations began on a new bargaining agreement to cover the PTIS technicians, management made demands which would destroy the union contract.

For example, their proposals would have given management near-total control over working conditions and work rules, essentially eliminated seniority rights for layoffs and job bidding, eliminated management's duty to provide specified training, and allowed individual workers to enjoy the benefits of union representation without paying dues.

"We wore buttons to work to show we were solidly against these kinds of changes, and two days before the contract expired we had a demonstration at Telesis headquarters," Collmer recalled. "The company saw that the strategy of beating us at the bargaining table wasn't going to work."

The next day, management broke off negotiations and filed a petition with the National Labor Relations Board, claiming that an election should be held to see if workers wanted CWA representation. The voters, in addition to the 92 technicians, would include more than 90 non-union service managers. A quick election involving service managers who had no previous contact with the union appeared to be a surefire way to eliminate CWA entirely.

"We had a membership meeting to discuss our options," said Collmer, who serves as a CWA steward. "The company seemed to want a strike, but we didn't think that would be in our best interest. So we came up with our CPR plan."

First-Aid Against Union-Busting.—CPR stood for "Creative Persistent Resistance," a program of non-cooperation with management.

"We stopped taking our trucks home at night, and instead made the company inventory everything at the end of each shift and again when we went out the next day," Collmer said.

"So if I had a job 80 miles away, by the time I actually got there it might be 11 o'clock, and then I'd have to stop at 2 o'clock to be back in time to return the truck."

Other elements of the CPR program included grieving every violation of the contract or past practice, refusing overtime, using personal days and vacation time, and refusing to do tasks which should be management responsibilities.

"This tactic of just going by the book was a new concept for us and it wasn't easy to do, believe me," Collmer said. "It puts a lot of stress on people, because everybody feels much more comfortable doing the best job they possibly can for the customer. But we realized that we couldn't serve the customers in the long run if our contract was destroyed."

In addition to the on-the-job pressure, the technicians organized support from other CWA locals throughout District 9. Unions in San Mateo County, for example, persuaded the county board of supervisors to hold up a $40,000 contract with PacTel. A potential $2.5 million job upgrading the county's communication system was also in jeopardy.

After an eight-week campaign, and just days before demonstrations were to take place at Pacific Telesis' annual shareholders meeting, management agreed to a settlement.

The technicians won an extension of their contract plus a retroactive wage increase. A union representation election involving the technicians and service managers was set for August, giving CWA members time to campaign. The company also agreed that it couldn't stack the voter list with new hires or make threats or promises to discourage unionization. A neutral third party was chosen to oversee the election.

CWA supporters like Ken Collmer are now busy visiting the service managers at home to discuss the need for unity.

"We're working hard at listening to them and giving them facts, because we figure that if Pacific Telesis can get rid of CWA on the deregulated side, the next step will be to go after the union on the regulated side as well," says Collmer. "We've got to show right now that CWA members are not going to accept that."

A CRUEL CHRISTMAS GREETING FROM MCI

Karen McJimpson had big plans for the holidays last Christmas. Earlier in the year, she and her 10-year-old son had finally moved into a house of their own after years of renting apartments around the Detroit area. It was going to be a special Christmas season, topped off with a trip to California to visit family.

Her income of about $16,000 per year as a salesperson for MCI wasn't what she once made as an installer for Western Electric, but she had saved what she could.

Then, on Dec. 2, as she and several hundred co-workers were completing their work day, they were told to report the next morning to meeting rooms at one of six area motels. There, they were told that they were fired as of that moment.

"The meeting only took a few minutes," McJimpson recalled. "We'd been trying to get the union in so we'd have some rights, but without that there really wasn't much we could say."

About 3,000 MCI workers were fired in the Christmas Massacre. The company chose to include McJimpson and her telemarketing colleagues among their targets, only a few days after management had been notified by the National Labor Relations Board that the workers had filed enough cards to force an election for CWA representation.

McJimpson had been a strong supporter of the CWA organizing drive. "I had been a CWA member for three years at Western Electric, and during that time I found out what it means to have a union," she said.

Value of Union Representation

"When I was hired around 1979, there were very few women hired as installers, and management gave us a very hard time. At one point, I was fired for refusing to do work that a doctor had said not to do because of a back injury I'd had on the job.

"For seven months I had no income, but the union got everything back—my job, my back pay, medical expenses, everything. We also had problems getting women promoted, and the union stepped in a number of times and won grievances on that."

After being laid off by Western Electric, McJimpson searched for three years for a job as an installer, making ends meet in the meantime by working at a department store, drug store, and similar jobs.

Then she heard that MCI was interviewing.

"They told me that if I was willing to start in telemarketing, in a few months they would move me to installation," she said. "That was the first of many promises they never kept."

Besides the lower pay and benefits, McJimpson was struck by the lack of enforceable rights in the non-union environment. "There were no guidelines, not even an employee handbook," she said. "There was a quota system for how many sales you had to make per month, but the quota changed whenever they felt like it. There was no set attendance policy, guidelines for promotion, or anything like that."

The union card-signing campaign forced the company to withdraw the quota system temporarily, but when it was reinstated, workers asked CWA to file for an NLRB-supervised election.

Then came the firings, and CWA officials launched efforts to assist the workers. They established a relief fund, made plans to arrange training and assist with job placement, and helped workers obtain unemployment benefits. The union filed NLRB charges over the firings, and drew national attention with a rally led by Rev. Jesse Jackson and U.S. Rep. John Conyers.

McJimpson and many of her coworkers have continued their connection with the union by signing up under CWA's new Associate program.

While on unemployment, McJimpson took classes in computer technology and attended more than 25 job interviews.

"The problem is that most of the jobs that are available these days are minimum wage or close to it, and you can't live on that," she said. "They keep looking at past jobs I've had and say, 'You realize that we're not going to pay you what you've been used to making.'

"I can't understand this system of ours," she said. "It seems like for someone like me who wants to work and has some skills and experience, there ought to be a decent job."

ZURBRUGG: CASE STUDY IN UNION-BUSTING

At age 54, one of Betty Watson's big worries is that she will become a burden to her two grown children who live nearby in Burlington County, N.J.

She has been out of work since April, when she was fired from her $5.14 per hour job servicing bathrooms at Zurbrugg Memorial Hospital.

"I was actively working to get people to sign cards so we could vote in the union," Watson said, "so management found a reason to get rid of me. Now it's a question of how long it will take the Labor Board to review the charge we've filed."

Watson went to her first CWA organizing meeting last year, shortly after management cancelled raises for workers with 10 or

more years of service and reduced pay increases for others.

"Someone had asked the company vice president how people with many years of seniority were supposed to live without any pay increase, and he said, 'They can always leave if they want to make more money,'" she recalled.

"That was the way we were treated—we were nobodies, and if there was a problem, it was never resolved in our favor."

Watson became convinced that she and her co-workers needed CWA representation.

"I tested CWA * * * I watched to see if they lied to us, if they made promises they couldn't keep, because I know unions aren't necessarily perfect," she said.

Impressed with what she saw, Watson gave the campaign her full support. "I understood that a union is only as good as what the people themselves put into it," she said. "You can't sit at home, watch TV, stay silent, and expect things to change.

"There were a lot of times when I'd been working hard all day and I didn't feel like going to meetings, but I believed in what we were doing so I went."

To help coordinate its anti-union campaign, the company hired a $200 per hour law firm.

Management threatened to close the hospital or lay off many of the workers, and even stooped to trying to stir up racial trouble to divide the work force, Watson said.

Despite the intimidation tactics, 300 workers voted for the union, but an identical number voted against. CWA supporters decided to circulate new cards to set up a second election.

"After we started getting new cards signed I went on vacation," Watson recalled. "When I got back, management said they didn't have the form they had signed giving permission for me to be gone, and they fired me."

While the National Labor Relations Board considers her case, Watson is continuing to actively support the organizing drive.

"You're not going to break me over a $5 an hour job," she said. "I've been working since I was 12 years old and I've learned two things. One is that the only reason management is there is to make money. That's all they worry about.

"The second is that all the stuff about people in this country having 'freedom of this' and 'freedom of that' is just propaganda to keep the common people satisfied. The fact is that the only freedoms we have, the only rights we have, are the ones we organize for."

If she can't get her job back, Watson said, she and her husband will face a difficult decision. "I'd like to stay near my grandchildren, but we might have to move to Florida where my brothers and sister live," she said.

"But I can tell you this * * * no matter where we go I'm going to be involved with the unions. They're all we have."

Mr. JONTZ. Mr. Speaker, I yield to the gentleman from New York [Mr. OWENS], a member of our Committee on Education and Labor, who was present at the hearing in Miami.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman for yielding.

I would first like to commend the gentleman from Indiana [Mr. JONTZ] for coordinating this special order on Jobs with Justice.

The story needs to be told. The American people have no idea of what our workers are going through; and this is only a prelude, only a preamble of what is to come.

Every American worker is threatened by the attitude of this administration, by the accepted norms of the business world.

We have entered a whole new phase in America. Today we voted on a bill related to textiles. We have had debate all afternoon with respect to the problem of the flight of jobs overseas, and the fact that our markets are open and being invaded constantly by products from overseas, while at the same time overseas markets of other countries are not open to ours. Jobs are being stolen. We have been swindled. Fair trade has become a gross swindle.

Here is a situation where most of the jobs that were discussed in the Miami hearing were jobs which cannot be exported, jobs which cannot be taken overseas. They were talking about jobs in transportation, jobs with the airlines. The airlines cannot pick up and go overseas.

We have routes here in this country that must be serviced. The most lucrative routes in the world are here in this country. Airline traffic is increasing. The business of the airlines is booming. Bus companies are going out of business.

There are fewer trains, but the one part of the transportation network that continues to grow is the airline traffic, and yet the workers for airlines, the people who work in the airlines industry, were among those who told the most horrifying tales at this hearing.

We have a situation where jobs in industries that are not threatened by overseas competition are also being put into a vise. Workers are being squeezed in order for better profits. We are into the economics of cruelty. We are into the economics of exploitation of workers, workers who have already been organized and have gone through the cycle, paid their union dues. They have fought for organization.

They have used collective bargaining for years, but now they find themselves in a squeeze where they are losing most of what they have gained, and cruelty reigns supreme.

All of the kind of cruelty that was prevalent in Europe for so many years that led to the upheavals in the European economy for so many years, they are here now.

There is a whole series of laws to protect their workers, and workers have a much better situation with respect to plant closings, occupational hazards, parental leave in Europe than we have. They have much better working conditions than our working conditions here.

The economics of cruelty and the economics of exploitation have come to our shores. One of the people who is pushing a new movement, Jobs with Justice, what are they looking for? It is an organized counterattack against the economics of cruelty, against the economics of the Ronald Reagan administration which boasts that it has created hundreds of thousands of jobs. Hundreds of thousands of jobs have been created by this administration, but they are jobs which pay minimum wage, and even with two members of the family working, it is hard for a family of four to survive, given the minimum wage jobs that have been created.

Jobs with Justice wants to make certain that the good jobs that do exist and have for years continue. They want the right to job security. They want the right to an adequate and fair standard of living.

They want the right to organize on the job, and to be able to proceed with collective bargaining, to deal with conditions on the job. Those are not just union members. They have been joined by a coalition of religious groups and consumer rights groups.

Consumers feel that they have a lot to lose. I do not have to stretch anybody's imagination to tell you that an airline consumer and an airline worker have a common bond, a common interest.

We heard the tale of one airline worker in Florida who had gone through a situation when he was fired when Eastern and Continental merged. He was fired and squeezed out really, because when he was told he had to transfer, he decided yes, I will transfer and go to Atlanta. The people in Atlanta told the people in Miami that they did not have a job for him. He was squeezed out.

He found himself in a situation where for months he had no job. He went through a very serious situation with his family, and finally he came out, and he was given a job with the company, the company which Eastern Air Lines now contracts with to do their maintenance work.

Here is a man who is a mechanic, and he was working for a substantial wage plus fringe benefits, health plan, vacation, pension, all of that; and he lost his job, went back to the very same job at a wage rate that was half the wage rate he had before with no fringe benefits.

□ 1830

Now, what do you think this mechanic who day-by-day is involved in maintaining airplanes will do? I do not question the integrity of workers in the airline industry, but I do think that the man's mind has been impacted and affected. Through no deliberate sabotage, I suspect that workers who have been treated like that will forget to turn a screw until it is tight

enough or forget to put a bolt on sometimes or be careless about the job. I cannot see how they would not be bitter, how there would be some bitterness and how they would not be less concerned about their jobs.

As a consumer, as a person who rides airlines frequently and all the other consumers, we ought to be concerned with the security of those workers. We ought to be concerned with the mind set and the attitude of the workers. We ought to be concerned that they get a fair wage, that they have job security, that they are able to organize, that they are satisfied workers who will produce the very best every time they work on a part on an airplane, because once you get into the air if something goes wrong just because some small nut is not there or some bolt is missing or some screw is not tight, it is too late then. As consumers, we are all in a catastrophe that is unnecessary.

So consumers have united with the unions, with the religious groups and with the civil rights groups.

It is not only airlines in private industry that are part of the problem, although that is bad enough. We have a situation where the airline industry in the pursuit of mergers for the purpose of maximizing profits, and we read about the millions of dollars that are made on Wall Street by people who do no work at all, they just shift papers and frighten each other and badger each other back and forth and scare each other into deals and they end up making tremendous profits.

Well, somewhere the squeeze has to come so that somebody pays for those profits that are made and the squeeze is on the workers. The squeeze is on the workers in private industry.

But here we have a situation which extends beyond private industry. In the transportation industry at the local level, we found that we have another kind of exploitation. Again, transportation is one of those industries that we cannot blame Japan or Europe. We cannot blame anybody outside the country for having affected the workers and the workers' environment. We cannot blame them for stealing jobs. We have got to have bus service at the local level. We have got to have local transportation.

In Florida, as in a number of other places, the move is on to privatize, take the publicly operated transportation systems and hand them over to the private sector and let the private sector proceed to do with the local bus companies what the airlines are doing with the airline industry. Let them squeeze to get as much as they can out of them. Let them force the workers to their knees so that the same workers who worked in the bus companies as public employees will end up maybe getting their jobs back without fringe benefits at a much lower wage or without the same working conditions.

You have wholesale contracting out of jobs that is promoted by the local government as a way of saving money.

It all comes out of the White House. Privatization is pushed from Washington. They even have some clauses in the contracts that are put out by the Department of Transportation which require that local transportation companies must consider privatization. They must move at least to consider privatization and they are rewarded by the Federal Government, the Department of Transportation, the one headed by Elizabeth Dole who just retired recently. They require that we must consider privatization at the local level.

The push starts in Washington. So that is another form of workers exploitation.

At the worker level there are people who would like to show some immediate gains in the political arena, so they rush to make the kind of deals that are going to show the biggest profit with the least amount of resources outlay by the taxpayers. They rush into these deals with private companies, and frequently it is a swindle. It is not cheaper.

In Dade County, FL, it bills itself as the most privatized county in the Nation. Dade County is proud of the fact they have followed the Reagan Administration push into privatization. It has continued to privatize and privatize; however, what has been the cost in savings to the taxpayer? The taxpayer has not found any reduction in the cost of government services. In fact, the opposite has been true.

In Dade County, FL, government services have gone up 30 percent over the last 3 years, 30 percent. I assure you the unions did not get it. I assure you the workers did not get it. Where is the money going? It is going to pay the profits of the privatized companies.

Once a company is privatized, I assure you it is not easy to make the transition back.

Private contractors cut every corner to make a buck. They give poorer service, and yet the service costs more.

Contracting out invites corruption as politicans seek to pay off their friends and supporters in reward for these contractors. Contracting out is another way of pushing patronage to a new level. Instead of those nickle and dime jobs that members of the other party do not care as much about, because their patronage exists on a higher level, they have to give out contracts for millions. So privatization has become a new form of patronage. Millions of dollars in patronage are being passed out not only at the local level, but also here in Washington. Privatization is an avenue for paying off friends.

Large numbers of jobs are lost and the jobs that remain are usually lower paying, lower skilled positions.

Career ladders are wiped out. They do not mind trapping workers at the bottom of the heap. In fact, they like that. The less a worker earns, the least amount of time the worker stays with the company, the better for them in terms of pensions and fringe benefits.

This has a devastating effect on minority women workers. The minority women workers have usually relied heavily on service careers in the public service. This has been the path of the middle class for large numbers of minority persons by working in the public sector where due to discrimination and prejudice they found it easier to get jobs and they found it easier to deal with organizing and improving their working conditions in those situations. All that goes out when privatization begins.

So the merger mania and privatization combined are taking place in two areas where we are not threatened at all by overseas competition, where nobody is going to steal our jobs by doing what is being done, using the almost slave labor wages of Hong Kong, Korea and other places, in order to steal the industrial jobs. They are going to wipe out the workers and take away the decent jobs, even in situations where we have to have the services here.

In the merger mania, Frank Lorenzo, the Texas air robber baron, has become obsessed with acquiring an airline monopoly. He is part of the problem, most of the problem in Miami, and in this hearing, of course, there was one story after another about the cruelty that has been inflicted on workers as they attempt to wring wage concessions and also destroy the working conditions of the workers.

The harassment and the dehumanization of workers that takes place is unbelievable. Lorenzo and his cohorts are trying to drive out the senior employees and replace them with lower paid new hires. Sick leave policy now is ridiculous. Workers are allowed to get sick only three times a year. If you are sick three times a year, after that you are fired.

The committee heard from a mechanic with diabetes who was fired after he had an attack. He blacked out as he was driving to work.

A mechanic with Lupus who suffered from severe headache attacks was reduced to hiding in the bathroom at work because he was afraid he would be fired if he stayed at home.

A flight attendant, we heard from a flight attendant who was disciplined after she missed work because she had been raped. They had a letter from the police and had the whole horrible story. The airline officials still dismissed her because she did not report

to work immediately after the grisly incident took place.

Then there is all kinds of petty harassment that is organized. Lorenzo had overloaded the grievance system. The grievance system still exists. You can always file for a grievance, but the way they have overloaded the system, you have to wait forever. You are fired and then you have to wait for months, sometimes years, before the case is heard.

This is all happening in America. This is all happening in the land that gave the best deal to the working people. This has all happened in a country that built its economy on creating a massive class of consumers, people who had good jobs and money to spend and some sense of security, who went out and bought products and built the market that is still the prize of the world. We are still the economic engine of the world. Our consumer economy still is what makes all the free world economies go, yet we are threatening that economy. We are threatening to destroy it. We are making our workers cannon fodder.

There is a process in motion now that will come to fruit. The chickens will come home to roost in a very terrible way. After we have wiped out those consumers, after we have created a class of very bitter workers, we are going to find our whole economy is going to grind to a standstill.

Again I commend the gentleman from Indiana for coordinating this special order. This is a story that has to be told. This is a story that is not told in the Wall Street Journal. This is a story that is not told properly in the New York Times or the Washington Post. The networks seem not to be able to find out the terrible things that are happening. They seem not to want to report them.

This is a story that must be told in a nation where the President says, "What are you worried about? If nine people are working and one is without a job, why should you worry? If one-tenth of the population is unemployed, why worry? If another tenth of the population is employed at wages which do not allow them to survive, why worry? If another tenth are employed in jobs that are being constantly harassed and being pushed about and threatened, and their sense of security is being lost, why worry?"

Well, we must worry. First of all, they are human beings. They are the secret ingredient of our economy.

Finally and most of all, they are the American citizens who made this country great. There are more workers than there are anybody else. These workers must not continue to be sacrificed in a process that makes the rich richer, that makes merger manias successful, that makes for a situation where millions and millions of dollars are made each time the Wall Street people play their games. We think the workers deserve a better deal than they are getting. This is America. We have not only led the world in building a powerful industrial economy, we have led the world in fairness to our workers. We have led the world in building the largest labor unions, the best deals for workers. We need to retain that leadership. We need jobs with justice. We can have jobs with justice.

Mr. Speaker, I congratulate the gentleman for helping to push forward the fight for jobs with justice.

Mr. JONTZ. Mr. Speaker, I want to thank the gentleman from New York for his observations this afternoon and his summary of the testimony that our committee heard in Miami.

I think the gentleman from New York, again as the gentleman from Illinois, has a long record of being an able spokesman for the working people in this country and his observations are quite on the mark in my opinion in terms of the problems that the working people face.

Mr. Speaker, coming from the industrial heartland of our Nation, I look around at the many of the residents of my district and the problems we have had with plant closings and the difficulties people have getting good jobs, it is often easy to conclude that this economic growth that we hear a lot about has simply bypassed us in the Midwest and the industrial heartland and that somehow we have been the victim of economic policies that have not had the same effect on other parts of our country, and to some extent indeed that is true; but the testimony that we heard at Miami, traveling to the coast, traveling to an area of our country that is growing, very much convinced me that in fact working people in other parts of the country are suffering a great deal as well.

We can see the effects of privatization, of deregulation, of merger mania, on the average working people in Miami, and it was not a very pleasant picture that we saw.

My hope is that our Education and Labor Committee can listen to the voice of working people in other parts of our country and examine the policies that our Nation has pursued in these past few years and that we in the Congress can assume the responsibility that we should to speak up for the interests of the average people in this country, because as we said here his afternoon the well-being of our Nation really does depend on the well-being of our working people and the citizens that we heard from in Miami are not getting the sort of break from our Government which is their due.

□ 1845

HAITI NEEDS ASSISTANCE

The SPEAKER pro tempore. (Mr. LEHMAN of California). Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 10 minutes.

Mr. OWENS of New York. Mr. Speaker, I rise to speak on an issue which I consider myself somewhat of an authority. I have the largest Haitian American constituency in this country in my district. There are more people of Haitian descent living in my district than anywhere else in the country. The second largest is in Miami, FL, but in Brooklyn in my district, the 12th Congressional District, we have the largest number of Haitian Americans and probably the largest number of Haitian refugees. These Haitians are in constant contact with their brothers and sisters and mothers and fathers and the people they left behind in Haiti. They know like nobody else knows what is happening in Haiti.

Mr. Speaker, they tell me daily of stories of terror and fear and they are worried about the process of democracy that is supposed to be going forward in Haiti. They have a lot to be proud of. The people of Haiti have a lot to be proud of. After several decades of exploitation of the worst kind, of terror of the worst kind, the people of Haiti rose up and they threw out the dictator Jean Claude Duvalier, who had succeeded his father, Francois Duvalier. They threw him out and then it was said there would be nothing but chaos. But the people of Haiti again showed that they understand far better than they have been given credit for what is at stake. The people of Haiti agree that for a group to write a Constitution and after that Constitution was written they turned out in an overwhelming turnout, 90 percent of them and they voted to support that Constitution. That Constitution was ratified by a large majority of the Haitian people.

In the Constitution there was a timetable for the election of officers at the local level, an assembly, for senators and finally at the conclusion of the electoral process timetable they would elect a President.

They also set up an election commission. It is written into the Constitution.

So the people, the majority, and I am talking about the majority of the people in Haiti, the overwhelming majority are on the right track. They love democracy, they know how to get democracy, but the great fear of the people who live in my district, the relatives of people who live in Haiti, is that terror and guns and the military will prevent the democratic process from going forward.

Mr. Speaker, they have good reason to be afraid. They have good reason to be afraid. Immediately after the Constitution was passed the military junta tried to abrogate the whole process. They wanted to obliterate the whole process and come in and take over the role of the election commission. The military junta, the people in charge, they wanted to be in charge of the election themselves and although they professed to have no ambitions with respect to being elected to public office it is clear that they do want to control the elections and decide who would be elected.

Only after the people of Haiti again rose up with demonstrations and strikes did the military junta back down and give the electoral process back to the election commission. But in the meantime hundreds of Haitians were slain not only in the demonstrations in the city but in the hillsides, in the provinces, hundreds of people were slain. Most of the time they were slain by terrorists, the old remnants of the Tontons Macoutes, a terrorist organization established by Francois Duvalier. The Tontons Macoutes hacked people to death while the Omnies stood by and did nothing.

The most grizzly example of what was going on was reported in most of the papers here in this country. That is that a politician campaigning for President on a sunny day in the middle of the day before a crowd of people was leaped upon, he and his assistants, by these Tontons Macoutes, hacked to death in front of the crowd, and they walked away and nobody still to this day has apprehended them.

That was a Presidential candidate, a person running for office who was hacked to death along with his assistant.

Under these conditions can democracy go forward? No. The people of Haiti need help. They have shown that they can do part of a job. It is up to us to give them the help to do the rest of the job. We must have peaceful intervention in Haiti. We must have intervention on the side of the majority. We must help the majority.

We have stood by all over the world, and we have seen the democratic processes go forward. We have seen governments elected by the people and then we have seen military outlaws come in and take over, declare that things are not running properly, and they come in and take over.

Something has to be done on the international level. Haiti is just 90 miles from our shores and I say we should do something first in Haiti.

There is no reason why the Organization of American States and the U.S. Government should stand by and allow the democratic process, which the majority of the people of Haiti want to go forward, to be taken over by a band of thugs, military outlaws, and armed terrorists.

They are the ones that we have to fear.

I want to congratulate Arthur Schlesinger for an article which appeared on this subject in the New York Times on Wednesday, September 9, 1987. As we all know, Arthur Schlesinger is presently professor of humanities at City University of New York. We all know that Arthur Schlesinger, Jr., is one of the greatest historians alive, that he played a major role in shaping American policy for many years.

I want to thank Arthur Schlesinger for his brilliant article which states the case very well, and I would like to read it into the RECORD. It is entitled, "Yes, Washington, there is a Haiti."

I think every American ought to hear this and understand the kind of abandonment that we are guilty of. It is immoral to neglect Haiti the way we have neglected Haiti over the years and now we are into the same thing, we are neglecting Haiti at a crucial moment in the history of the country and allowing it to sink back into the morass of confusion and terror.

Mr. Schlesinger begins as follows:

What a collection of fakes we Americans are! We endlessly proclaim our devotion to democracy and human rights. We endlessly rebuke the rest of the world for falling short of the high standards of liberty and probity that we unfailingly achieve ourselves (or do we?). And with our self-congratulatory habits of the heart and undaunted lack of self-knowledge, we overlook the fact, evident to others, that our concern for democracy is, to say the least, partial and selective.

So we block a peace settlement in Central America because of our alleged commitment to the future of democracy in Nicaragua—a commitment not visible to the naked eye when the Somozas ruled Nicaragua and hardly visible today in our policy toward, say, the Pinochet dictatorship in Chile. And we righteously denounce lapses from democratic purity in Angola, Mozambique and Yemen.

Our capacity to shed tears for oppression and misery in the Communist world appears unlimited. But we remain marvelously oblivious to the tragedy overtaking a forlorn country well within our own sphere of influence.

Haiti was once one of the most prosperous islands in the Antilles. It was once France's richest Western Hemisphere colony. It was the first country in the Americas after the United States to gain independence. But its history since independence has been pathetic—never more pathetic than today, after 30 years of misrule by first, the demonic "Papa Doc," Francois Duvalier, and then his feeble, luxury-loving son, "Baby Doc," Jean-Claude Duvalier.

The tyranny rested on terror and magic. Between Papa Doc's pretorian guard of official thugs, the notorious Tontons Macoutes, and his voodoo doctors, the Haitian people, already miserably poor, undernourished and demoralized, were reduced to almost hopeless passivity.

Mr. Speaker, I want to conclude by saying that Arthur Schlesinger concluded his article with a call for intervention into Haiti, peaceful intervention on the side of democracy. We should heed the call of Arthur Schelesinger before it is too late now while the democratic process is going forward, while the candidates are campaigning, and the vote is to be taken on November 29, 1987.

We need peaceful intervention in Haiti.

THE SHULTZ/SHEVARDNARDZE SUMMIT AND SOVIET JEWRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. STOKES] is recognized for 60 minutes.

Mr. STOKES. Mr. Speaker, I would like to thank my distinguished colleague, Mr. KEMP, for joining with me in reserving this time to discuss the issue of emigration for Soviet Jewry, on the occasion of meetings being held between Secretary of State George Shultz, and Soviet Foreign Minister Eduard Shevardnardze.

Mr. Speaker, I was privileged yesterday, to receive in my office, Irena and Michael Cara-Ivanov, who were previously refuseniks in the Soviet Union. Currently, Irena and Michael live in the State of Israel and they are visiting the United States on a special mission to meet with officials in our government. They are traveling with Avital Shcharansky. During their meeting with me they delivered a thoughtful and serious appeal for the release of Dr. Vladimir Dashevsky, a world-renowned astrophysicist, and the father of Irena Cara-Ivanov.

In very warm and moving terms, these young people, who had experienced life in the Soviet Union on a day-to-day basis, provided me with a very real example of how the Soviet system continues to make a mockery of human rights in its treatment of Jewish people seeking to emigrate. In Dr. Dashevsky's situation, we are offered in human terms, an illustration of how the Soviet bureaucratic machine relentlessly takes whatever steps it deems necessary to frustrate and prevent a Jewish citizen from exercising a fundamental human right—the right to freedom of movement.

As an astrophysicist, Dr. Vladimir Dashevsky has distinquished himself both in the Soviet Union, and throughout the world community. He has published numerous articles in respected scientific journals, and is one of only three Soviet scientists to be selected to serve in the American Astronomical Society.

Dr. Dashevsky began his distinquished career as a researcher at the Institute for Terrestrial Magnetism, located near the Soviet capital of Moscow. While conducting himself as a respectable citizen, contributing to

the good of the Soviet state through his scientific research, Dr. Dashevsky also continued to develop and pursue readings and activities which enhanced his understanding of his own unique culture. Dr. Dashevsky pursued this interest diligently, studying the works of the Jewish existential philosopher, Martin Buber, teaching himself Hebrew, and studying classical Aramaic and Hebrew texts in the original.

Reaching a point in his life that was both natural and understandable for any individual, Dr. Dashevsky developed a strong yearning for closer ties to his own culture and people which led him in 1976 to request an exit visa to the State of Israel.

It is unfortunate, however, that shortly after Dr. Dashevsky's request to emigrate, Soviet authorities responded in a manner that is all too familiar, and has been repeated all too often. Dr. Dashevsky was immediately forced to give up the prestigious position he had held at the Soviet Institute for Terrestrial Magnetism, and is now only able to make a living by tutoring high school students in physics.

Such a harsh response by the Soviet Government, however, has not succeeded in breaking Dr. Dashevsky's spirit. During the period following his first refusal, he became active in the refusenik movement, providing a role model for a large and growing group of young Jews, who, at the risk of being reprimanded by the Soviet Government, have chosen to gather together regularly, to study Jewish texts under the direction of Dr. Dashevsky.

In recent months, a great number of his most successful students, many of whom had assisted him with both the organizational and teaching responsibilities for Jewish cultural gatherings, have received permission to emigrate to Israel. This action has increased the burden facing Dr. Dashevsky, leaving him virtually alone to assume the teaching burden, and overall leadership for a great many young Jews in Moscow, who have committed themselves to pursuing the practices of their own unique culture. In addition to this great responsibility, Dr. Dashevsky must provide for his wife and three youngest children.

Because Dr. Dashevsky has chosen not only to dedicate his life to science, but to devote himself to his Jewish heritage as well, his group's activities have been disrupted by the KGB on repeated occasions, and he has been placed under constant and harassing surveillance.

In examining the rationale used by the Soviet Government in support of its refusal to grant Dr. Dashevsky an exit visa, we are presented with an active example of how an archaic and repressive system can bend to serve its own ends, instituting whatever policies it deems necessary to deny individual freedom. The Soviet bureaucracy had developed the practice of denying Jews the right to emigrate to Israel and the West if they cannot produce signed statements from their relatives who are to remain in the Soviet Union proving that they will leave no outstanding debts nor obligations to the family members remaining.

This tactic intimidates relatives who will not be leaving the country, in that they are required to sign documents which support emigration, and which will be placed in the files of the KGB.

These statements are requested even though there is not a Soviet law on record which requires an individual to provide such a statement. Soviet authorities claim that their purpose for requiring such statements is to ensure that financial matters between emigrees and their relatives are settled expeditiously. Government authorities have refused, however, to consider affidavits indicating that an emigree will assume full responsibilities for all outstanding financing obligations even where these have been notorized in accordance with Soviet law.

Another problem occurs when relatives refuse to provide these statements. Under Soviet law, Soviet authorities are obliged to demand necessary statements from relatives. The Soviet authorities, however, have refused to make such demands, and have in effect given an individual's relatives the power to veto his or her exit from the Soviet Union. Therefore, the situation facing Dr. Dashevsky and thousands of Jews seeking to emigrate, is a problem that stems not from faults in current internal Soviet law, but from the Government's refusal to implement its own regulations.

While General Secretary Gorbachev has announced a new policy of glasnost, and proclaimed to the world "the beginning of a new era of openness," the numbers of Jews being allowed to emigrate from the Soviet Union are still fewer than in previous times, and are certainly as yet not significant enough to proclaim a new era. In 1986, the emigration of Soviet Jews was at its lowest in 15 years.

Although approximately 260,000 Jews have been allowed to leave the Soviet Union since 1968, at least 400,000 more continue to fight for the fundamental right to relocate to a place of their choosing. In 1979, 51,320 Jews were permitted to emigrate from the U.S.S.R., while in 1982, only 2,688 were allowed to leave, more than 48,000 less than the 1979 figure. In 1986, the number of Jews allowed to emigrate was at its lowest in 15 years, with only 914 being allowed to leave.

These numbers are not idle figures. As the case of Dr. Dashevsky exemplifies, we're talking about human lives and the basic rights of freedom. It is time for the Soviet Union to stop treating the lives of Jewish people as a tool of foreign policy, and end the game of treating the issue of Jewish emigration as a convenient political yo-yo, letting the numbers go up and down based solely on the political whims of the Soviet leadership.

Mr. Speaker, on August 1, 1975, the Soviet Union joined 34 other countries in the family of nations, in signing the Helsinki accords. This important document, committed signatory states to the pursuit of human rights—to opening the doors to free speech and movement, to family reunifications, to uninhibited religious expression, and to a toleration of individual ideas. By signing the accords, the Soviet Union placed its international credibility on the line, and the world continues to watch in the hopes that the Soviets will follow this agreement with substantive action.

Mr. Speaker, I call upon the Soviet Government to abide by the Helsinki accords, on the occasion of this week's very important meetings between Secretary of State Shultz and Soviet Foreign Minister Shevardnardze, to end these intolerable practices, and to cease treating the issue of emigration for Soviet Jewry as a convenient political tool. As Dr. Dashevsky's situation clearly points out, the current methods being employed by Soviet authorities are arbitrary, and in violation of fundamental human rights that have been fully endorsed by the global community.

Mr. KEMP. Mr. Speaker, I would like to thank my colleague, the new co-chairman of the Congressional Coalition for Soviet Jewry, the gentleman from Ohio, LOU STOKES. I want to compliment him for the fine work he's done in taking the lead on the issue of Soviet Jewry, and on this special order in particular. The National Conference on Soviet Jewry must also be recognized here for their advice, support, and impressive coordination and energy.

Today, United States Secretary of State George Shultz and Foreign Minister Eduard Shevardnadze of the Soviet Union are meeting in Washington to discuss relations between our two countries. This seems like a good time to review the issue of Soviet Jewry under the much-acclaimed policy of glasnost, which should be one of the topics for discussion.

Is glasnost working? Let's look at how it's failed. The figures clearly indicate movement in the wrong direction. Under General Secretary Gorbachev, Jewish emigration is a mere one-tenth of what it was under Secretary Brezhnev in 1979. Without glasnost.

Let's look at some specific examples of glasnost at work.

Under glasnost Natan and Etya Tkach, an elderly couple in their seventies, continue to be refused permission to join their daughter, Klavdia Fridman, her husband Ezik, and their son, Leonid first in Israel, then in the United States. They have been denied 20 times. The reasons vary, but the results are the same;

this couple is in ill health and separated from their family for an unconscionably long time.

Glasnost permits emigre Leonard Terlitsky to return for a heartbreaking visit to the Soviet Union on his new American passport to visit his elderly mother, Fanya, and his brother Mark. Both say they will not last another 11 years in refusal.

Glasnost permits Inna Meiman to come to the U.S. for necessary medical treatment after more than two decades of outside pressure. Only the Soviets waited too long; tragically Inna died within 2 weeks of her arrival, surrounded by friends and separated from her family. Glasnost continues to keep her husband, Naum Meiman, 76, alone, a prisoner in the Soviet Union and a refusenik for 25 years.

Will glasnost permit former refusenik Leonid Feldman, now a rabbi, about to become a United States citizen, to return to his hometown in the Soviet Union to lead a congregation and teach Hebrew?

Will glasnost permit Ida Nudel, Vladimir and Maria Slepak, Alexei Magarik to join their families in Israel and the United States? Both Alexei and Ida are now out of jail, but how did glasnost permit them to be arrested and sentenced in the first place?

What of new applications, encouraged by the vast publicity surrounding glasnost and the recent emigration of small numbers of well-known refuseniks? Well, there aren't many to speak of. Not because people haven't applied, but because the government will not accept their applications and therefore can say "We have no new applications." Is this glasnost at work?

Yes, under Secretary Gorbachev and his policy of glasnost, a few friends for whose release we have been fighting have recently been informed that they will be permitted to emigrate; the Beguns, the Brailovskys, the Siedels, the Landsmans, and four others. Rumours flew for years that pianist Vladimir Feltsman and his family would be released, only to have it happen last month, after an 8 year wait. But these are barely a dozen people out of nearly half a million.

Each visa should not be an event of international importance. Emigration of Soviet Jews should be a daily occurrence. By international treaties, signed by the Soviet Union, citizens of the Soviet Union are guaranteed the right of free travel, of cultural exchange, of family reunification. Jewish, and other, emigration from the Soviet Union should be treated as the right which it is, under the law of God and the laws of man, and not the miracle it has become.

Why should there be a classless class called "refuseniks?" A class of people created and defined solely by the fact of their having applied to emigrate and been refused, thereby sentencing them to social and economic purgatory. Why should applicants have to wait at all to emigrate? Why should anyone have to produce an invitation from an immediate relative outside the Soviet Union? If there is a country, such as Israel or the United States, willing to open our arms and make these people welcome, absorb them fully into the fabric of their own society, why should the Soviet Union prohibit this reunification, repatriation, or simple emigration? These are rights guaranteed by the Helsinki accords, and other international agreements to which the Soviet Union is a party. Glasnost working would mean complete freedom of movement, and compliance with agreements to which the Soviet Union is a party.

And if the Soviets so consistently violate agreements which they have already signed, should we be entering into new ones without indication that they are complying with existing agreements? We must seek some assurance that they will not extract an additional high price for compliance.

I believe in free trade, but until these questions are favorably answered, until compliance is assured, the United States should be more restrictive in its commercial negotiations with the Soviet Union. United States banks should be discouraged from lending vast sums of money in untied, unrestricted, unsupervised loans to the Soviet Union.

Glasnost cannot be deemed as anything more than a public relations success. Until there is some substantive movement in the area human rights and Soviet Jewry, our two nations cannot come to a real understanding in a true spirit of cooperation. Substantive improvement is necessary. The policy—the placebo—of glasnost is not enough.

Our strongest moral weapons are our will, our system of democracy, our unshakeable belief in individual freedoms as guaranteed by our Constitution, which has been our governing document for 200 years, and the Bill of Rights, which sets forth the inalienable rights of all men and women. It is our responsibility as freedom-loving people, to ensure that others share our blessing of freedom. Our refusenik and dissident friends in the Soviet Union know that they can continue to count on us to exercise our strength in their behalf.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. STOKES. Mr. Speaker, I am happy to yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I would like to thank my colleague from New York, Mr. KEMP, and the gentleman from Ohio [Mr. STOKES] who, as co-chairs of the Congressional Coalition for Soviet Jews, have arranged today's special order. Their leadership on behalf of the National Conference on Soviet Jewry, which sponsors the Congressional Coalition, is highly appreciated on this important human rights matter.

By now, everyone has become familiar with the term "glasnost" as openness, which has come to symbolize the new Soviet reforms and attitudes. We do not yet know the full scope of this glasnost, nor its duration. And its impact on Soviet Jews, and their lives and their rights, continues to remain clouded.

With the visit this week in Washington of Soviet Foreign Minister Eduard Shevardnadze have come discussions of many issues. Paramount among these is the current and future status of Soviet Jews, thousands of whom remain in refusal. That certain prominent individuals have been given permission to leave is indeed a welcome sign, yet contradictions continue to surface.

We appreciate and applaud the permission granted to Josef Begun, Lev Elbert, Col. Lev Ovsishcher, and several other long-term refuseniks. We hear that refusals based on secrecy matters are being reconsidered, in view of the fact that the vast majority of individuals categorized in this manner have not been involved in any kind of secret work for a decade or more. It is only right and proper that these individuals be allowed to be reunified with their families, pursuant to the principles set forth in the Helsinki final act. So it is compliance that we seek, and compliance that we acknowledge when it occurs.

Yet what we are witnessing at this time, Mr. Speaker, is not full compliance with either the letter or the spirit of the Helsinki accords. In the past several months I have been informed of a number of disturbing situations which I would like to bring to the attention of my colleagues.

Cases where all but one member of the family is given permission, thereby separating families.

Numerous reports of individuals whose applications to emigrate are not even being accepted by the OVIR office, thereby creating a subgroup of Soviet Jews who cannot even be refused.

Manifestation of a new situation whereby initial reasons for refusal are removed, while new bureaucratic obstacles imposed.

Although 4,700 Soviet Jews have emigrated through August of this year, there remain many thousands and thousands more whose long-term refusal status lingers on. Ida Nudel and the Slepaks are just two of the more prominent cases. Not as well known is the plight of the Terlitsky family, the Dashevsky family, the Khassinas, the Chernobilskys, and Lev and Lean Shapiro, to name just a few. Each of these Soviet Jews has a legitimate right to family reunification under the Helsinki final act, but are thwarted repeatedly in their efforts to claim that right. We in Congress remain committed to their cause for religious and cultural freedom and human dignity. We must continue to press forward on behalf of these individuals, and the many hundreds of thousands of other Soviet Jews who have indicated the desire to exercise their rights under international agreements.

Mr. Speaker, Soviet Foreign Minister Shevardnadze has been welcomed to this country. We hope his meetings here are fruitful and productive. Progress seems to have been made in recent months, and we look forward to an eventual summit meeting between our two heads of state. Yet, we cannot rest until family reunification permis-

sion is granted to all who seek it, and full compliance with the Helsinki accords is achieved. The new excuses for denying emigration and the posturing taking place at OVIR offices all across the Soviet Union must be quelled, and an honest and forthright position assumed instead.

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Mr. Speaker, I thank the gentleman for yielding this time and commend him for his continued efforts in this human rights battle.

Mr. STOKES. I thank my distinguished colleague from New York for his excellent statement here this evening. In turn I want to express my appreciation to him for the stalwart manner in which he has continued to fight on behalf of Soviet Jews.

Mr. Speaker, I also want to commend the National Conference on Soviet Jewry for the excellent work that they do on behalf of those who seek to emigrate from the Soviet Union. I worked with them for a number of years now and I am deeply moved by the commitment and deep sincerity with which that organization works on behalf of those who desire to leave the Soviet Union.

Mr. Speaker, at this time I would like to yield to the distinguished gentleman from Ohio [Mr. THOMAS A. LUKEN].

Mr. THOMAS A. LUKEN. I thank the gentleman for yielding. I congratulate the gentleman for this special order and compliment those other Members who have shown their dedication to the cause of the refuseniks, those patriots in Russia who continue to be oppressed despite some of the favorable reports which come out.

I think the purpose of this special order is to distinguish between the good and the bad which is emanating from Russia and from the international meeting.

Mr. Speaker, the meeting between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze provides a wonderful opportunity to raise the issue of human rights in the Soviet Union. The movement on behalf of Soviet Jewry is a unique struggle for emigration in the context of a tradition of 4,000 years. It is the struggle to reunite and redeem one-sixth of world Jewry, the remnant of east European Jewry after the Holocaust. It fits within the tradition of the people who have returned to the land of Israel from exodus, exile, and dispersion. Since 1968, there have been approximately 644,000 requests for emigration by Soviet Jews. Understandably, only the bravest risk the perils of repeated requests. During this period of glasnost, it is imperative for the Congress to maintain its commitment to the issue of Soviet Jewry. Despite the fact that several well-known refuseniks have recently received permission to emigrate, scores of other Jews continue to wait for permission, many of whom have suffered the anguish of family separation and religious and cultural harassment for a decade or more.

While we are gratified that former prisoners of conscience and refuseniks will now be allowed to emigrate, we must remember that there still remain in the Soviet Union other former prisoners and long-term refuseniks, as well as thousands of other Jews who wish to exercise their basic human right of freedom of emigration.

While it is our hope that the Shultz-Shervardnadze arms talks will be successful, we send a message to the Soviet leadership and the Jewish minority that our concern for human rights has not waivered and our support will remain ever strong. I urge my colleagues to continue to work together to secure human dignity and human rights throughout the world.

Again, I thank the gentleman from Ohio [Mr. STOKES], who is always in the forefront in worthy causes of this kind.

Mr. STOKES. I thank my distinguished colleague from Ohio for his excellent contribution to this special order. I am pleased at this time to yield to my distinguished colleague from the State of Washington [Mr. MILLER].

Mr. MILLER of Washington. I thank the gentleman.

I first want to express, Mr. Speaker, to the distinguished Congressman from Ohio my appreciation for his leadership in the cause of human rights and in the cause of human rights behind the Iron Curtain.

There are many Jews in the Soviet Union today who know of Congressman STOKES' efforts. I think it is especially appropriate that we have this special order tonight. One reason it is especially appropriate is that the Union of Councils for Soviet Jews is holding its annual meeting in Washington, DC, this week. I have been privileged to cochair along with Congresswoman COLLINS of Illinois the union's congressional call to conscience this year.

There is a second reason why this special order is appropriate and that is the presence of Foreign Minister Shevardnadze in the United States.

We welcome Mr. Shevardnadze. I know that we all hope that his talks with Secretary of State Shultz will be most productive. But we must also express to the Soviet Foreign Minister our deep concern over the lack of real movement on Jewish emigration and religious freedom in his country.

We appreciate the release of several leading refuseniks. I am especially gratified to hear this week from Vladimir Magarik who visited me in Seattle this past spring. I learned this week that his son, Alexei, has returned from labor camp to Moscow. However, I was saddened to hear from Khaya Beinus, who lives in the Seattle area that her daughter has now received her 21st refusal to emigrate, her 21st refusal over 13 years. That family still remains divided.

Mr. Speaker, there are more than 150,000 Jews in the United States with relatives inside the Soviet Union. These families have suffered long enough the torment of separation from their loved ones. It is time for the immediate reunification of such divided families.

While there has been a slight increase in the number of Jews leaving, there are still 400,000 Jews in the Soviet Union who wish to emigrate. They languish without jobs, without protection, without freedom to live fully as Jews. We ask for consistent emigration procedures. We ask for the abandonment of the emigration decree of January 1, 1987. We ask for the removal of fabricated "state secret" refusals. We ask for an increase in emigration figures to at least match the 1979 figures. We ask for freedom of choice of destination, and last but not least we ask for a dramatic upswing in freedom of Jewish study and expression inside the Soviet Union.

Mr. Speaker, I hope the Soviets will put this nagging issue behind them. I hope that Secretary Gorbachev, Foreign Minister Shevardnadze will in the spirit of glasnost put this issue behind them. For it is time for them to live up to international law, it is time for the gates to open so that Jews can be free.

Until the Soviet Union releases those who are trapped against their will, it will be very difficult for our Government and our citizens to increase trade and cultural contacts with the Soviet Union.

Mr. Speaker, I thank the distinguished Congressman from Ohio for yielding and am happy to turn the floor back over to him.

Mr. STOKES. I thank the gentleman for yielding back and thank him for his participation in the special order this evening. He has certainly made an articulate and eloquent statement.

I am sure that not only do I appreciate his participation but these human beings who are caught behind the curtain in the Soviet Union are indebted to him for his contribution here this evening.

Mrs. MORELLA. Mr. Speaker, my recent trip to the Soviet Union brought me face-to-face with both the positive significance and also the limits of the new openness or glasnost. I met with most of the top leadership of the Soviet Jewish refusenik movement, with Soviet officials, and with a group of divided spouses.

Among the refuseniks I met with are Lev Shapiro, Vladimir Slepak, Ida Nudel, and Arkady, and Helen Mai. I also met with the

Deputy Chief of Human and Cultural Affairs at the Soviet Ministry of Foreign Affairs, Mr. Yuriy Reshetov, and the First Deputy Director of the Soviet Customs Administration, Mr. Vitaliy Boyarov. As a member of the House Post Office and Civil Service Committee, I focused in my discussions with Mr. Boyarov on Soviet interception of mail to and from the West.

My 8-day stay in the Soviet Union convinced me that refuseniks have become pawns of Soviet foreign policy, the most famous among them to be set free only when the Soviets wish to sweeten the atmosphere before a high-level meeting. Last week's releases are clearly tied to this week's discussions between Secretary of State Shultz and Soviet Foreign Minister Shevardnadze.

I was reminded that efforts on behalf of Soviet Jewry are not limited to their role in reminding both ourselves and the world of the essential differences between the Soviet system and our own. Those activities are both a carrot and a stick with which to encourage better treatment of Soviet Jews and a concomitant freeing up of the general atmosphere in the Soviet Union.

I am reminded of the words of Vladimir Slepak, who I met during my stay. Vladimir Slepak is a refusenik who still waits. Waits, as he has waited for 17 years now, to be free. To be free to practice his religion and to teach it to his children. To be free to speak his conscience and to write it. Vladimir Slepak has said to us, his friends in America, "If you turn your eyes from us, even for a moment, we will cease to exist." Mr. Slepak makes it clear that the fate of Soviet Jewry is tied to Western pressure. I share his assessment.

There has been talk of the priority of rescuing those 12,000 Soviet Jews who are, like Mr. Slepak, refuseniks. These people have, by definition, been repeatedly refused an exit visa, many for 10 years or longer. I am concerned that the Soviets will let these 12,000 go and then shut the gates. This concern is heightened by rumors that Jews who are now visiting Soviet visa offices for the first time have been turned away without being allowed to apply.

We must be concerned with not only the 370,000 who have at great risk already taken the first step toward leaving, but also the estimated 2 million Jews who remain in the Soviet Union. By preventing these people both from freely practicing their religion and from teaching it to their children, the Soviet Government is subjecting these Soviet Jews to cultural genocide. One can only wonder how many of these 2 million would leave if the gates were opened wide and they could ask for visas without fear. We must work to give them that chance.

We must continue to stress, through letters, phone calls, and demonstrations, that we will not rest until the Soviet Union frees all who wish to live in freedom. The struggle for Soviet Jewry is far from over.

Mr. DURBIN. Mr. Speaker, the recent release of 15 refuseniks from the Soviet Union is cause for much joy for those released and their families. That joy, however, is tempered by two important facts.

First, while these 15 refuseniks and their families rejoice today, their release follows years of suffering in the Soviet Union, waiting and hoping that they might be released. All those released have been waiting for exit visas for at least a decade. In addition, they leave behind tens of thousands of refuseniks who are still denied permission to emigrate. Soviet officials have allowed 4,700 Jews to emigrate this year, a figure much higher than the 1,000 exit visas approved annually in recent years. However, 51,000 were allowed to leave in 1979.

Second, their release comes only days before Secretary Schultz is to meet with Foreign Minister Shevardnadze in Washington. As such, it is unlikely to signal any kind of genuine change in Soviet emigration policy. Instead, it appears to be a diplomatic gesture, trying to generate good will in the upcoming talks and in the possible United States-Soviet arms control summit.

How should we respond to the Soviet Union's gesture? I believe it demonstrates the value of pressuring Moscow to adhere to the fundamental principles of human rights. If the release to refuseniks was not important to the West, then the Soviets would not have released them in order to generate a feeling of good will. There can be no doubt in their minds about the importance of the release of refuseniks and its impact on public opinion in the West.

We must not delude ourselves that the Soviets have had a change of heart and have decided to adopt more humanitarian emigration policies. Instead, we should see these gestures for what they are—carefully thought out steps designed to achieve an explicit goal. We must continue to exercise the leverage we have by exerting steady pressure on the Soviet Government to release refuseniks through letters, telegrams, et cetera, in order to achieve these limited responses and offer hope to those still awaiting release.

Mr. LEVIN of Michigan. Mr. Speaker, first of all I want to commend my colleagues LOU STOKES and JACK KEMP for initiating this special order and to the rest of my colleagues who agreed to participate. The only thing worse than losing one's freedom of movement is losing one's voice, and our brothers and sisters in the Soviet Union have lost both. So we must be their voice.

Clearly, there has been some progress made in sheer numbers of emigration—from a few dozen a month to a few hundred. But this is not nearly enough. The only number that matters is 100-percent emigration for those who seek it.

Just yesterday I spoke on the phone with Alexi Bronshtein who lives in Leningrad and has been refused an exit visa. Alexi is also a divided spouse who was married last year to a Swedish woman in an official Soviet ceremony. His wish is to be reunited with his wife so they may perhaps settle in Israel where he has family.

When Alexi requested permission to leave he was dismissed from medical school where he had already completed 4 years of study. He now faces the threat of conscription. Alexi told me yesterday that he had just returned from Moscow to speak with emigration officials about his status. Every time he goes, Alexi talks with a different Soviet official, but yesterday, as in each previous attempt, he was told nothing of substance.

We've heard much about glasnost these last few months but this is unassailable evidence that thus far glasnost has meant a great deal as a marketing tool, but has had limited practical application.

When I asked Alexi what more we could do, he said we need to keep sending letters. He said we must do everything in our power to make the Soviets aware that the United States will not stop fighting for him.

And we will press on; not just on behalf of the 400,000 Soviet Jews who have applied for and been refused exit visas, but on behalf of those countless prisoners of conscience who have been locked up, and often beaten, humiliated, and tortured.

Soviet Foreign Minister Eduard Shevardnadze is in Washington this week to negotiate a new arms control treaty. Above all, an arms treaty arms reduction depends on faith in each other's respect for the most basic human right, the right to exist.

Every step toward respect for other basic human rights—freedom of religion, association, speech, and travel, to name a few—directly increases our confidence in each other's respect for this fundamental human right of survival. In this context, it's doubly imperative that we stress in all our negotiations with the Soviets the need for a completely open human rights policy.

That policy, of course, includes the right for people like Alexi Bronshtein to live and work where they choose, and how they choose.

Mr. TRAFICANT. Mr. Speaker, in light of the ongoing meetings between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze, I would like to recognize the opportunity for negotation in the sensitive areas of arms control and human rights. I believe that the 3-day session between the leaders will produce concrete negotiations and hopefully a decision to convene a summit scheduled for a future date.

In addition to the optimism for and energy expended on behalf of a nuclear arms resolution between the United States and the Soviet Union, I would also like to draw attention to the continually hedged issue of human rights. During this period of glasnost, it is particularly important that we stress the need to improve the plight of Soviet Jewry. I am not negating the fact that refusenik releases have increased during the past year—3,092 as of June, compared to 914 during all of 1986—however these figures cannot compare to 28,864 in 1978, or 51,320 releases in 1979. We must not overlook the fact that human rights policies under Gorbachev remain bleak, and we in Congress must reaffirm our efforts to work toward eliminating the tragic abuse of human dignity under the Communist Soviet regime.

Mr. Speaker, as Americans we recognize and enjoy the benefits of living in a free and democratic nation. As we commemmorate the 200th anniversary of the signing of our Constitution, let us not forget the situation of those who are denied freedoms associated with basic human rights. I hope my colleagues will join me today in recognizing the importance of human rights negotiations during the Shultz-Shevardnadze humanitarian standards within the Soviet Union.

Mr. MOLINARI. Mr. Speaker, I rise to commend the gentlemen from Ohio [Mr. STOKES] and from New York [Mr. KEMP] for reserving this special order dealing with the plight of Soviet Jewry. The timing of this special order is particularly appropriate since it coincides with the visit of Soviet Foreign Minister Eduard Shevardnadze. What better time to raise the plight of Soviet Jews than when our Secretary of State and Soviet Foreign Minister are talking about agreements in the arms control area. We must constantly remind the Soviets that we will not ignore their violations of international human rights agreements. Such violations, as Natan Sharansky rightly notes, raises the question of their credibility.

The Soviets not only violate the human rights of well-known dissidents and refuseniks such as Ida Nudel, Vladimir Slepak, and my own adopted refusenik Aleksandr Paritsky of Kharkov, but even those of elderly sick couples like Natan Tkach and his wife Etya of Moscow.

Aleksandr Paritsky and his wife, Polina and daughters, Dorina and Anna, first applied fo exit visas to Israel in 1976 in order to be reunited with Aleksandr's brother Itzhak. Most recently, in May, Aleksandr and his family were again denied permission to emigrate.

Aleksandr and his family have been continually harassed for their quest to emigrate. Aleksandr was even jailed—resulting in a heart condition—because of his wish to emigrate. In 1981, Aleksandr was arrested, tried, and sentenced to 3 years in a labor camp for allegedly circulating fabrications known to be false which defame the Soviet state and social system.

But the Soviets not only harass those that are outspoken about their desires to emigrate but even afflict the frail, elderly, and sick. Natan and Etya Tkach first applied for permission to leave the Soviet Union over 10 years ago. Since then they have been refused 20 times, most recently on March 23, 1987.

For many years the Soviets gave no reason for their refusal other than it was not advisable. The reasons given for refusal in the last few years, however, were for the alleged security risk of Natan. Even if at one time Natan was a security risk, and that is doubtful since he worked as a manual labor distributing overalls in a machine factory, he retired over 15 years ago. Today, it is sad to report, Natan, 75 years old, is almost completely deaf, very ill, and going senile. Security risk is obviously not the reason for their denial.

The health of Etya is also a great concern to the family. The Tkach's daughter, Klavdia Fridman, a U.S. citizen residing in my district on Staten Island, NY, has related to me that her mother suffers from myocardial ischemia and pancreatitis. She further reports that Etya has undergone surgery several times and has been in and out of the hospital most of this year. Both Etya and Natan need the warmth and care of their family here in the United States.

The Tkach's situation is truly a case of family reunification. For without this family being reunited, I am afraid that the hope of this elderly sick couple will run out shortly. It is bad enough to be kept in a country against one's will. It is even worse when one's medical condition is fragile and one's family is not around to provide the psychological and physical assistance needed to carry on. We must remind the Soviets that reunification of families is one of the paramount purposes of the Helsinki accords to which they are a signatory and we expect them to fully abide by that agreement.

I am encouraged by the recent Soviet increase in Jewish emigration and the announced release of several prominent refuseniks. I am also heartened by the fact that Dorina Paritsky, Aleksandr's eldest daughter, has recently received permission to emigrate. We must not halt, however, in our insistence that all of those that wish to emigrate be granted such permission. We will not tolerate the Soviets disregard for basic human rights or their misuse of alleged security risks as a reason for denial of emigration. Until the Soviets allow the over 400,000 Soviet Jews who have indicated their desire to emigrate permission to do so we can not and will not be still.

Mr. MANTON. Mr. Speaker, I would like to commend the leaders of the Congressional Coalition for Soviet Jews for organizing today's special order. Today is an appropriate occasion to call attention to the plight of Soviet Jews because Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze are meeting in Washington. While there are many important topics to be discussed during their meetings, none are more important than the Soviet Union's emigration policies.

We have all been encouraged by the recent release of many prominent refuseniks and prisoners of conscience, but we must not let these cases overshadow the fact that there are still approximately 400,000 Jews who wish to leave the Soviet Union. It is still extremely dangerous for the Jewish people of the Soviet Union to learn Hebrew and to practice their religion. Rabbinical training, essential to the future of Judaism, is still forbidden. Furthermore, to even apply for emigration in the Soviet Union is to invite demotion or dismissal from one's job, the loss of academic degrees, and other acts of harassment. Recent changes in the Soviet Union's emigration laws have also made it more difficult for Jews to receive permission to emigrate.

Mr. Speaker, while many prominent refuseniks have been allowed to leave the Soviet Union, there are too many unknowns who remain. Secretary General Gorbachev recently told a congressional delegation that denying an exit visa on the basis the applicant has been in possession of state secrets should be a relevant concern for only 5 or 10 years. In 1977, one of my constituents was forced to divorce her husband so that she and her son could emigrate. Her husband was not allowed to emigrate because of his supposed access to sensitive information. Although his employment and supposed access ended 14 years ago, his requests for an exit visa have been repeatedly denied.

Mr. Speaker, the United States must continue to press the Soviet Government to reform their emigration policies. I am hopeful that Secretary Shultz and Foreign Minister Shevardnadze will discuss these issues and come to a favorable resolution. The Soviet Union must understand that while the United States will not allow Soviet Jews to be used as pawns, neither will we cease our efforts on their behalf.

Mr. BUSTAMANTE. Mr. Speaker, I want to thank Congressmen STOKES and KEMP for sponsoring this special order on behalf of Soviet Jews on occasion of the Shultz-Shevardnadze meetings.

As the United States and the Soviet Union have been moving closer to an arms control agreement on medium-range nuclear weapons and a summit is in the offing, the Soviet Union has acted to resolve a few well publicized human rights cases. The Soviet Union has continually used these goodwill gestures to show their good faith efforts at promoting world peace and freedom. However, when these cosmetic moves are seen in proper context, they prove to be calculated and ominous. The case of Yosef Begun, whose recent permission to emigrate was announced with much fanfare before Mr. Shevardnadze's meetings with Secretary Shultz, illustrates the Soviets' cynical approach to human rights. After a 16-year struggle to emigrate and to maintain his Jewish culture and religion, ex-prisoner of Zion Begun has become a hostage of détente, a pawn to be used by the Soviet leadership to project an image of openness to the West. The reality that Yosef Begun embodies is that of the Soviets' denial of cultural rights which their Constitution purports to protect and their noncompliance with international agreements guaranteeing free emigration.

We in the West yearn to see a real opening in the Soviet Union and a genuine respect for human rights since totalitarian regimes pose the greatest threat to freedom loving people. Therefore, if Mr. Gorbachev is serious about political reform his policies should reflect a positive departure with the past. Releasing celebrated human rights victims before summit meetings in exchange for American political concessions does not represent real Soviet political reform, it merely reflects a calculated move to project a positive image in the West.

Mr. Speaker, is Gorbachev's glasnost real or is it wishful thinking on our part? It is best to compare today's glasnost with previous attempts at Soviet political reform. Under Nikita Khrushchev hundreds of thousands were released from the gulag, exonerated and rehabilitated. Artists and writers were allowed to travel abroad and to express themselves in an unprecedented manner. In comparison, today's reforms are meager. Despite the spectacular releases of celebrated prisoners, the Soviet authorities have not repudiated the policy that created the modern day gulag. Moreover, Gorbachev has not exonerated and rehabilitated the few political prisoners that have been released. Many still linger in prisons and psychiatric wards. Cultural exchanges with the West are still tightly controlled by Soviet authorities who determine whether Soviet artists are reliable to appear in the West and who chose who from the West is acceptable for Soviet audiences. The emigration of Jews has increased from less than 100 a month in recent years to 500, but it is still a fraction of the annual rate of 50,000 under Brezhnev. When the actual numbers of Soviet Jewish emigration are measured against the demand by 400,000 Soviet Jews to leave, one

can appreciate that the Soviets are only allowing a trickle to leave. To make matters worse, the Soviets promulgated a new emigration law which would exclude 90 percent of the Jews who have indicated their desire to leave from emigrating. In addition, Soviet authorities are not even accepting applications to emigrate, thereby eliminating the need to refuse applications and thereby eliminating future refuseniks. As the record shows the freeing of Yosef Begun cannot hide the paltry reality that glasnost is so far. Mr. Gorbachev has still a long way to go until he can demonstrate concrete political reform in the Soviet Union.

Mr. Speaker, Mr. Shevardnadze should convey the following message to Mr. Gorbachev: The American people have heard your rhetoric of openness or glasnost, they are waiting for you to act on your promises. They want to see significant improvements in human rights and, at least, similar levels of Jewish emigration which were achieved in the late seventies. Failing that you will forfeit the trust necessary for significant change in superpower relations.

Mr. WEISS. Mr. Speaker, I am pleased to participate today in the special order, sponsored by the Congressional Coalition for Soviet Jews, to address the issue of human rights and Jewish emigration in the Soviet Union.

It is particularly appropriate to speak about this issue at this time—for not only does it coincide with the much-awaited visit of Soviet Foreign Minister Eduard Shevardnadze, it also coincides with the celebration of the 200th anniversary of the U.S. Constitution. Thanks to the Constitution, American citizens are guaranteed basic human rights—rights which are systematically denied to Soviet citizens by their government.

The introduction of the glasnost policy by General Secretary Gorbachev has been accompanied by encouraging progress in United States-Soviet relations. The two governments are near to reaching an agreement to eliminate short and intermediate-range nuclear weapons. Soviet authorities are allowing unprecedented educational exchanges with the United States. There is even diplomatic cooperation between the United States and the Soviet Union, as in the recent U.N. Security Council resolution calling for a ceasefire in the Iran-Iraq War.

Within the Soviet Union, issues previously considered off-limits are now openly being debated. Countless prisoners of conscience have been released, and a number of prominent refuseniks have received permission to emigrate.

While these steps taken by the Soviet Government are indeed encouraging, they are not enough. The Soviet Government continues to unjustly detain too many of its citizens. Soviet Jews are still subject to religious discrimination. Although the rate of emigration has increased in comparison to the last 2 years, it is not nearly what it should be.

Since January 1, 1987, approximately 4,700 Soviet Jews have been allowed to emigrate. At the current rate, a total of 10,000 to 20,000 Jews will be given permission to leave the Soviet Union in 1987. But there are an estimated 350,000 to 400,000 Jews left in the Soviet Union who have indicated that they want to emigrate. In 1979, approximately 51,000 Jews were allowed to leave. A return to such levels would be a significant sign that the Soviet Government is committed to improving its treatment of Soviet Jews.

After much fanfare about a new, supposedly more liberal policy of emigration, the Soviet Union enacted a new highly restrictive emigration decree, in effect since January 1, 1987. The decree limits letters of invitation to emigrate to individuals who have close relatives in other nations. It thus effectively excludes thousands of Jews wanting to leave the Soviet Union.

Lastly, there is an apparent increase in the number of emigration visas refused by Soviet authorities on the basis that the individuals involved were privy to "state secrets." Such claims are absurd—one woman was refused a visa because she had worked part-time studying low-temperature refrigeration in a chemical institute!

In short, despite glasnost, the Soviet Government has yet to fulfill its obligations to preserve the basic human rights of its citizens—obligations which is voluntarily accepted when it signed the 1948 Universal Declaration of Human Rights and the 1975 Helsinki Final Act.

I ask my colleagues today to join me in sending a strong message to Foreign Minister Shevardnadze that we will not cease in our demands that the Soviet Government take further steps toward the fulfillment of its obligations to protect human rights. We must make Secretary Gorbachev realize that further improvements in United States-Soviet relations—improvements which are desired by the peoples of both our countries—cannot be divorced from a fundamental commitment to human rights.

Today, when we celebrate an American tradition of upholding human rights let us rededicate ourselves to the cause of improving human rights around the world. Let us loudly declare our belief that human beings have a right to think and speak freely, to live with dignity and to observe their religious beliefs without interference by the State. History—American history in particular—has shown that persistence and passion in pursuing a just cause can shake the most powerful nations in the world.

Mr. FIELDS. Mr. Speaker, I thank my colleagues in the Congressional Coalition for Soviet Jews for their leadership in the issue of human rights in the Soviet Union, and for providing the Members of Congress with the opportunity to talk about human rights and Jewish emigration in the Soviet Union during the meetings between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze.

Recently brought to my attention was the plight of a Soviet refusenik, Abram Kagan who has been denied permission to emigrate from the Soviet Union. Abram is an internationally known statistician who has received several invitations to scientific meetings outside the U.S.S.R., he has never been able to attend these seminars or to emigrate to Israel, although he and his family have been in refusal for more than 10 years. He has consistently been denied permission to emigrate because of secrecy, despite the fact that his employers at the Steklov Institute of Mathematics have led him to believe that there was no reason for him to be denied permission to emigrate. In actuality, Abram never had any contact with State secrets, having worked only as a theoritical mathematician whose papers have all appeared in the open scientific press. Just recently, the Soviet authorities granted permission to emigrate to everyone in his family, with the exception of Abram. To separate this loving father from his wife and two children is the ultimate cruelty of the Soviet Government.

Sometimes the story of a single person or family can tell more about a system of government than all the statistics in the world. Abram Kagan is only one of thousands of people who have been victims of anti-Semitism in the Soviet Union.

Until the end of June 1987 it seemed to be better for Soviet Jewry than the recent past. However, it should be noted that while Jewish emigration increased significantly in the first 6 months of 1987, the following situation remained: If Jewish emigration this year would continue at the current rate, the year's total would reach only 7,000—less than one-seventh of the peak year of 1979 when 51,320 Jews arrived in Vienna, almost all of those granted permission are drawn from a list of 11,000 documented refuseniks, with little evident breakthrough concerning the thousands of others who are known to seek to emigrate, very few applicants are being approved, or even processed, and virtually no one who lacks first degree relatives abroad, whether parents or siblings, can get new applications accepted.

General Secretary Mikhail Gorbachev has been seeking to project an image of openness and flexibility on human rights issues. He has taken some dramatic steps to demonstrate that the Soviet regime's policies on these matters are changing. He has released several prominent refuseniks. This is welcome news. Yet, for most Soviet citizens, there has been no general improvement in Soviet human rights practices under Gorbachev.

During his recent visit to West Berlin, President Reagan challenged the Soviets by calling for the dismantling of the Berlin Wall. In anticipation of another meeting between President Reagan and General Secretary Gorbachev, we must implore the Soviet Union to dismantle another wall, a wall which surrounds the Soviet Union by denying Soviet Jews a chance for freedom.

Mr. Speaker, it is our duty as freedom-loving people to throw the public spotlight of international concern on Soviet human rights performance. For the thousands of Soviet refuseniks, we remain their only hope.

Mr. GREEN. I would like to thank Representatives KEMP and STOKES, the House cochairs of the Congressional Coalition for Soviet Jews, for organizing this special order.

This special order comes at a very special time. Not only is Soviet Foreign Minister Sheverdnadze now meeting with Secretary Shultz, but just yesterday I had a visit from Vladimir Magarik, father of Prisoner of Conscience Alexei Magarik. Magarik met me with the happy news that Alexei had just Monday been freed from a Soviet labor camp. Vladimir referred to himself as the joyful father of a

"newborn son" and said he attributed his son's release, a year and a half early, to presure from the West.

Also, this month we have had word that a dozen well-known refuseniks, including Iosif and Inna Begun, Victor and Irina Brailovsky, Lev Sud, and others have been given permission to emigrate. These same people had been told just a few months ago that their cases would never be considered and that they would never be allowed to emigrate.

The numbers, too, are encouraging. In the first half of 1987, 3,092 Soviet Jews were allowed to emigrate. Just last month, 782 Jews left the Soviet Union. Those are startling numbers considering that in all of 1986 only 914 Soviet Jews were given exist visas.

And yet our work is far from over and our vigilance cannot yet be relaxed. Alexei Magarik, who first applied to emigrate in 1983, is still in the Soviet Union and not in Israel with his father. Lev Elbert, who is one of the well-known refuseniks, expected to be given an exist visa with the Beguns and Brailovskys, still has not officially heard that he will be allowed to leave. Ida Nudel, the Guardian Angel of Refuseniks, is still in internal exile and kept from her ever hopeful sister in Israel. Semyon Gluzman, a psychiatrist and former prisoner of conscience whom I first adopted 9 years ago, is still waiting in Kiev.

So while the Soviets have allowed for increased emigration and the miraculous releases of the now-famous refuseniks, for which we are grateful, the Soviets have still not outlined a clear and consistent policy. Immigration and compliance with the Helsinki Agreements cannot be on an ad hoc basic. The Soviet Government must adopt a well-defined and consistent review process for handling emigration requests. That review process must include, for instance, a responsible definition of what constitutes "access to state secrets" and must produce a clear guideline for documentation from family.

The Soviets must be made to understand that such a change in immigration policy would not go unrewarded, that such actions would inevitably lead to better trade relations and ultimately even to MFN status.

Next week is the Jewish New Year, Rosh Hashanah. What better time to push for these new and hopeful policies than now as Jews all over the world prepare to celebrate freedom and new beginnings.

Mr. HUGHES. Mr. Speaker, I want to commend the gentleman from Ohio, Mr. Stokes, for organizing today's special order on the plight of Russian refusenkiks. In light of the current visit of Soviet Foreign Minister Shevardnadze, this special order is particularly timely. I hope we can convince the soviet leadership that, even though the attention of our country is concentrated on the prospect of an arms agreement, we still mean business when it comes to respect for fundamental human rights.

I would like to take just a moment to mention the situation of a Russian family that is of particular interest to the people of my own Second District of New Jersey. Alexander and Rosa Joffe, Russian citizens who wish to start their lives over again in another country, have been denied the right to leave the Soviet Union and be reunited their family. The Board of Chosen Freeholders of Cumberland County, NJ, have taken notice of the Joffe family's ordeal, and have taken it upon themselves to adopt the Joffe family's cause as their own. As part of their worthy campaign to bring the Joffes to the world's notice, the members of the Cumberland County board have asked me to use this special order to spotlight the Joffes' fight to emigrate.

Of course it is entirely proper to focus this special order on the plight of individual families, such as the Joffes, in their quest for freedom. But while we draw attention to the Joffes, we must not ignore the fact that they represent more than just one family—they are a sympol for all oppressed persons who seek to exercise their rights as human beings to emigrate.

I implore General Secretary Gorbachev to review the Joffe family's case in the spirit of glasnost, and allow these people to be reunited with their loved ones. If Mr. Gorbachev really means to take his country in a new direction, he should start by exercising his sense of compassion and statesmanship and breaking the bonds that hold the Joffes, and tens of thousands like them, as virtual prisoners in their native land.

Mr. CLARKE. Mr. Speaker, much attention is rightly focused on Soviet Foreign Minister Shevardnadze's visit to Washington this week. I hope very much that Secretary of State Shultz placed human rights high on the agenda of his talks with Mr. Shevardnadze, and that our Government will continue to insist on observance of basic human rights in the Soviet Union in accordance with international agreements. I welcome recent Soviet gestures in releasing a few refuseniks, and I hope we will see a great deal of further progress. For those not already familiar with the problem of Jewish emigration from the Soviet Union, it may be useful to review the background of the issue.

It is not difficult for free Americans to imagine why anyone would want to emigrate from the Soviet Union, despite the hardship of leaving friends and relatives behind and starting over in a foreign country. We should remember, however, that Soviet Jews have special reasons for leaving, in part because they are singled out for special treatment.

Jews are officially considered as a nationality in the Soviet Union, like Russians and Lithuanians and Uzbeks. Jews were even given an artificial national homeland in the Sovet far east. Like all Soviet citizens over 16, Jews must carry their internal passports everywhere they go. Each passport gives the bearer's nationality. That means that in every contact with the police, bureaucrats, housing officials, and employers, a Jew is not just a citizen, but a Jewish citizen. This is not as blatant as sewing yellow stars of David on people's clothes, but in a country with a long tradition of anti-Semitism, it is harsh.

What does anti-Semitism mean today in the Soviet Union? Cossacks no longer slaughter Jewish villagers, and even Stalin's chillingly clear references to "cosmopolitan elements" have not been officially encouraged in recent years. Present-day Soviet anti-Semitism is usually more subtle. One Moscow women has spent her life reading and translating American literature. Her real passion, however, is the great classical literature of her own country. When in her youth she told university officials she wanted to major in that area, they said it would be inappropriate for a Jew to be an expert in Russian literature and firmly suggested American studies instead. It is no accident that Jews, althouth they tend to be more urban and educated than others in the U.S.S.R., are hard to find in Moscow's most prestigious professional and graduate schools. Prejudice shows its face at all levels, from playgrounds to the Kremlin.

In view of the discrimination and occasional hostility they face, Mr. Speaker, it is hardly surprising that some Jews try to assimilate to Soviet society and forget their Jewish heritage. Indeed the Soviet propaganda campaign against Zionism, as they define it, means in essence that the only good Jew is one who has lost all his Jewishness. It is clear that the average Russian knows that Zionism is a code word for Judaism. He therefore understands the real message of the television programs, newspaper articles, and books, condemning Zionism and Israel. Any Jew who asserts his heritage, or—worse still—decides he must emigrate to be free to assert it, immediately steps into the prepared role of Zionist and traitor.

The chief instrument of this official campaign is the state Anti-Zionist Committee. Among its members is Moscow's only rabbi. Little wonder that the city's 100,000 or more Jews regard him as the state's representative, not their own. Yet any Jews who seek religious life together but avoid the official synagogue risk breaking laws against belonging to unregistered religious bodies. Teaching Hebrew is not illegal, but many Hebrew teachers have been imprisoned on trumped-up charges like possession of drugs. Hebrew teacher Leonid (Ari) Volvovsky was sent to a labor camp in part for owning a copy of the novel "Exodus."

All this takes place, Mr. Speaker, in a totalitarian society where there is no effective way to appeal actions of state and party officials. We see potential in Gorbachev's policies for eventual basis improvements, but meanwhile glasnost has helped encourage a Russian nationalist movement which apparently has influence very high in the Kremlin. A central element of this movement is anti-Semitism.

Our policy, therefore, should be to maintain the pressure on the Soviet Government to do two things: First, to allow Jews and other Soviet citizens the right to practice their religion and cherish their heritage free of state interference; and second, to fulfill the U.S.S.R.'s international obligation to pose no barriers to free emigration.

Mr. SMITH of Florida. Mr. Speaker, as Secretary Shultz and Soviet Foreign Minister Eduard Shevardnadze begin their scheduled talks, I am hopeful that the plight of human rights and Jewish emigration will be discussed. With this in mind, I rise today to highlight the case of my adopted Soviet refusenik, Yakov Rabinovich. Mikhail Gorbachev's glasnost policies recently have been credited with an array of new reforms. Although the Soviet Union is rapidly progressing in many domestic aspects, the question of Soviet Jewry still remains unresolved. Unlike all citizens in our

American democracy, Soviet Jewish refuseniks live with uncertainty, harassment, and intimidation, and they are treated brutally by the Soviet system. Their only crime is their desire to live as Jews and to emigrate to Israel.

Gorbachev has been credited with the release of a number of Jews and political prisoners. Unfortunately, 400,000 known Jews still seek freedom from the Soviet Union. Their attempt is a long and tedious process which is usually culminated with denial. These individuals then lose their citizenship, residence, and even their occupations. Furthermore, they are often separated from their spouses and children.

One case, in particular, involves my adopted refusenik, Yakov Rabinovich, who first applied for permission to emigrate with his family in 1978. Three years after he first requested a visa, permission was granted to only his wife and two children. Rabinovich encouraged them to leave in the hope that he would soon follow. Since 1980, he has been denied permission to emigrate by an arbitrary Soviet bureaucracy, that unjustly accused him as having access to state secrets.

Probably the most tragic aspect of his torture is his forced separation from his wife and family. Rabinovich was advised to divorce his wife in order to make the emigration process easier for one of them. While he unwillingly remained in the Soviet Union, his son graduated from Brandeis University in 1985. Even their communication has been limited; often phone calls from Rabinovich's wife and children have been withheld.

Rabinovich now resides in Leningrad. Not only does he lead a dismal and lonely life, but he also has been cruelly deprived of his professional career and livelihood. Once a shipbuilding engineer, Rabinovich now works in a shoe factory earning a mere 130 to 150 rubles a month—equivalent to $130 to $150 in the United States. He must deal with the professional and personal humiliation of a pay decrease of 100 rubles from his once prestigious career.

The Soviets justify this treatment by accusing Rabinovich of having access to state secrets. In reality, the ships which Rabinovich helped design travel worldwide. Obviously, this Soviet citizen, as well as 11,000 others, is being denied an emigration visa only because he is a Jew. This bureaucracy can refuse him his freedom, but it cannot deny his Jewish identity. He will never forget his studies, or his heritage, regardless of his forced separation from his family.

The Soviet Government can isolate him, but even they are unable to restrict his religious convictions. As he patiently awaits a reunion with his family, Rabinovich serves as an active member of the Leningrad refusenik community where he studies Hebrew and Jewish culture. He is unafraid to stand up for what he believes and is dedicated to helping others. Rabinovich is an individual who actively seeks knowledge of Judaism as well as the freedoms found in our great democracy.

The primary dilemma is that the Soviets refuse to admit that there is a Jewish problem. With glasnost, Gorbachev is modernizing many internal policies, yet he does not necessarily intend to improve his position on the human rights issue. The Soviet Jewry question cannot be overlooked by this welcomed and much needed openness. Gorbachev may be trying to initiate an economic revolution, but we must be skeptical of his underlying intentions. As far as I am concerned, this is just an attempt to appease us and ignore the true problem at hand. As American citizens, we must continue to administer to the dire needs of the Soviet Jews which they are denied while living in this hostile country.

According to the Soviet Government, everyone who wants to leave has done so. Therefore, the family reunification provisions of the Helsinki Final Act are no longer needed. On the contrary, their services are seriously needed. Emigration statistics have never been so low. Gorbachev has addressed this topic, but thus far no substantial action has been taken.

As this public relations game persists, basic human rights are being violated. The only way to force the Soviets to release the Jewish refuseniks and to incorporate human rights is through a unified front. We cannot remain on the sidelines and passively watch this unjustice. Families are separated and innocent citizens are treated as prisoners. We must put a end to Soviet religious persecution.

The United States must continue to press the relaxation of harsh Soviet emigration policies to allow refuseniks such as Yakov Rabinovich the freedom to emigrate. As Members of Congress, it is our responsibility to take the initiative and pressure the Soviet officials until all dissidents are released. Soviet Jews must be granted their freedom and be protected from Soviet persecution and separation from their loved ones. The only hope for the Soviet Jewish refuseniks is the Western efforts, such as the congressional call to conscience vigil for Soviet Jews, sponsored by the Union of Councils of Soviet Jews. I am pleased that my colleagues have set time aside today to continue to speak out on behalf of the denial of human rights, so that the Soviets will realize Soviet Jewish emigration is a priority and a commitment of the United States, not a propaganda tool.

Mr. RICHARDSON. Mr. Speaker, the meetings currently taking place between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze provide a unique opportunity to raise the issue of human rights in the Soviet Union. As a member of the Helsinki Commission, I would like to express my concerns about the new Soviet emigration legislation and the plight of the Soviet Jew.

NEW SOVIET EMIGRATION LEGISLATION

We welcome the publication of your new regulations on entry into and exit from the U.S.S.R. and some of the provisions which are geared toward speeding up the decision-making process on applications for exit visas. Nevertheless, many Americans are troubled by other provisions, including the requirement that the invitations from abroad necessary for application can only come from close family members. We are concerned that the definition of family is so narrow as to exclude many who would like to emigrate. We are also concerned about the requirement that family members must grant approval of close relatives' emigration requests.

The new Soviet emigration policy merely creates some possibility for limited numbers of people to leave. The regulation makes no mention of emigration as a right, and continues to leave Soviet authorities with absolute power to reject applications for emigration.

The regulation, citing formal new rules on who may leave, essentially codifies existing restrictive practices in effect since 1980. These practices allowed departure on the basis of family reunification only, rather than as a fundamental human right.

The decree continues the Soviet practice of withholding permission from those who have "knowledge of state secrets." While a state may have legitimate security concerns, and limit exit permission to those exposed to military secrets, the decree does not define the term and has no ceiling on time.

The decree also spells out eight other reasons for denying requests for emigration, including a catch-all provision that gives Soviet authorities the right to reject applications on grounds of "insuring the protection of social order, health, or the morals of the population."

The publication of this decree can be seen as a positive step. However, it should be kept in mind that the regulation disregards provisions of various international documents, particularly the international covenant of Civil and Political Rights, which guarantee the right to leave one's country.

JEWISH EMIGRATION

Since the signing of the Helsinki Final Act, the level of Jewish emigration, after an initial and marked increase, has declined rapidly.

In the 1980's, emigration declined to a low of 896 in 1984, 1,140 in 1985, and 914 in 1986. However, the number of Jews permitted to emigrate in March of 1987, 470, represents the highest monthly level since late 1981.

It is estimated that 383,000 Soviet Jews are in possession of a Vyzov—invitation to emmigrate. While it is not known how many have actually applied or would apply if given the opportunity, it is probable that many are awaiting a more favorable climate before taking the risk to emigrate.

There are over 11,000 known Jewish refuseniks, although some estimates run as high as 20,000. Over 1,000 have been waiting to emigrate for more than 10 years.

We welcome the increase in emigration so far this year and are encouraged by indications that emigration will continue to increase substancially. However, hundreds of religious believers of all faiths are imprisoned, exiled, or incarcerated in psychiatric hospitals for attempting to practice their faith. Thousands of evangelical Protestants in the Soviet Union have expressed the intention to emigrate from the U.S.S.R. to escape religious persecution.

The release of all these religious prisoners of conscience would demonstrate that the Soviet Government really intends to live up to its international human rights obligations. We would urge your Government to permit all citizens, regardless of ethnic or religious origin, to emigrate if they wish to do so.

Mr. GRADISON. Mr. Speaker, in recent weeks, a number of well-known Soviet Jewish refuseniks have received notice from the Soviet Government that they have been granted or will be given permission to emigrate. For example, long-term refuseniks, such as Iosif

Begun and Victor Brailovsky, have been alerted that they may immigrate to Israel.

Overall, there has been a substantial increase in Jewish emigration from the U.S.S.R. In 1986, 914 Jews were allowed to leave the Soviet Union while 4,699 Jews had emigrated as of August 1987.

These statistics, as well as reports that some of the more famous refusenik cases will be resolved, have raised hopes that the Soviet Government may be changing its policy toward Jews who have expressed a desire to leave the Soviet Union. Indeed, United States State Department officials and United States negotiators who have brought up human rights cases with the U.S.S.R. recently report that the Soviet Government has been willing to discuss this issue, a noticeable change from previous years.

Nevertheless, administration officials and human rights experts caution that it is too soon to tell whether Soviet policy is undergoing a fundamental change. It is widely believed that the Soviets have been receptive to resolving cases of concern to the West in order to improve agreement prospects for the Soviets in other areas, whether it be on INF or trade.

Without question, Soviet advances on human rights issues should be applauded and encouraged. But, progress and continued improvement in the rate of Soviet Jewish emigration can only be ensured through persistent effort. If meaningful change in the treatment of Jews in the Soviet Union is to occur, Soviet Jewry activists, human rights supporters, and Congress must continue to publicize human rights issues and press the Soviet Government for reforms.

GENERAL LEAVE

Mr. STOKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. LEHMAN of California). Is there objection to the request of the gentleman from Ohio?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. LLOYD (at the request of Mr. FOLEY), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ARMEY) to revise and extend their remarks and include extraneous material:)

Mr. LUNGREN, for 5 minutes, today.

(The following Members (at the request of Mr. GLICKMAN) to revise and extend their remarks and include extraneous material:)

Mr. UDALL, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. GAYDOS, for 60 minutes, on September 22.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WEISS, to revise and extend his remarks just prior to the vote on final passage on H.R. 1154 in the House today.

(The following Members (at the request of Mr. ARMEY) and to include extraneous matter:)

Mr. GREEN in two instances.

Mr. MCGRATH in two instances.

Mr. GALLO.

Mr. RITTER.

Mr. SOLOMON in three instances.

Mr. WORTLEY in two instances.

Mr. DAUB in two instances.

Mr. MICHEL in two instances.

Mr. BURTON of Indiana.

Mr. SAXTON.

Mr. FIELDS.

Mr. WELDON.

Mr. CRANE.

Mr. INHOFE.

Mr. CONTE.

Mr. ROTH.

Mr. LIGHTFOOT.

Mr. DENNY SMITH.

Mr. LEWIS of Florida.

Mr. COURTER.

(The following Members (at the request of Mr. GLICKMAN) and to include extraneous matter:)

Mrs. BOXER.

Mr. HOWARD.

Mr. TALLON.

Mr. FASCELL in two instances.

Mr. VENTO in two instances.

Mr. HOYER.

Mr. KLECZKA.

Mr. MURTHA.

Mr. RANGEL.

Mr. EVANS.

Mr. FRANK.

Mr. MACKAY.

Mr. MORRISON of Connecticut.

Mr. MONTGOMERY.

Mr. HAMILTON.

Mr. PEPPER.

Mr. COLEMAN of Texas.

Mr. HERTEL.

Mr. YATRON in two instances.

Mr. ACKERMAN.

Mr. LIPINSKI.

Mr. DINGELL.

Mr. MILLER of California.

Mr. DORGAN of North Dakota.

Mr. KOLTER.

Mr. DWYER of New Jersey.

Mr. BRUCE.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuses and neglect assistance;

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; and

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month."

ADJOURNMENT

Mr. STOKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Thursday, September 17, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2099. A letter from the Secretary of Agriculture, transmitting the Department's views concerning H.R. 3030, the Agricultural Credit Act of 1987; to the Committee on Agriculture.

2100. A letter from the Secretary of the Interior, transmitting a report of the Department's progress in negotiating an agreement for the redevelopment of the southern end of Ellis Island, pursuant to section 5 of the Department of the Interior fiscal year 1987 Appropriations Act as contained in Public Law 99-591 (100 Stat. 3341-251); to the Committee on Appropriations.

2101. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of September 1, 1987, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 100-106); to the Committee on Appropriations and ordered to be printed.

2102. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting a list of Navy functions which will be the subject of cost studies under the Commercial Activities [CA] Program pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2103. A letter from the General Council, Department of the Treasury, transmitting a draft of proposed legislation to amend the Federal Deposit Insurance Act; to the Committee on Banking, Finance and Urban Affairs.

2104. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting the annual report of the Bank's operations for fiscal year 1986, pursuant to 12 U.S.C. 635g(a); to the Committee on Banking Finance and Urban Affairs.

2105. A letter from the Auditor, district of Columbia, a report entitled "Review of the Procedures, Utilized by the Baseball Com-

mission, for the Receipt, Disbursement and Accounting of Funds," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

2106. A letter from the Secretary of Education, transmitting a copy of final regulations for secondary and transitional services for handicapped Your Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2107. A letter from the Chairman, Railroad Accounting Principles Board, transmitting the Board's final report on recommendations for integrating cost accounting principles and the cost accounting system certification process into existing rail carrier rate regulation under title 49 of the U.S. Code, pursuant to 49 U.S.C. 11167; to the Committee on Energy and Commerce.

2108. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of transmittal No. B-87 which relates to enhancements or upgrades from the level of sensitivity of technology or capability described in section 36(b)(1), AECA certification 86-28 of 8 April 1986, pursuant to 22 U.S.C. 2776(b)(5), AECA, section 36(b) (90 Stat. 741; 93 State. 708, 709, 710, 94 Stat. 3134; 94 Stat. 1520); to the Committee on Foreign Affairs.

2109. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. A-87 which relates to enhancements or upgrades from the level of sensitivity of technology or capability described in section 36(b)(1), AECA certification 84-20 of 26 January 1984, pursuant to 22 U.S.C. 2776(b)(5), AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 94 Stat. 1520); to the Committee on Foreign Affairs.

2110. A letter from the Acting Director, Defense Security Assistance Agency, transmitting an addendum to the listing of all outstanding Letters of Offer to sell any major defense equipment for $1,000,000 or more, and an addendum to the Listing of all Letters of Offer that were accepted, as of June 30, 1987, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

2111. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of certain FMS quarterly reports for the third quarter of fiscal year 1987, April 1, 1987 to June 30, 1987, pursuant to AECA, sections 36(a) and 26(b) the March 24, 1979 report by the Committee on Foreign Affairs and the seventh report by the Committee on Government Operations; to the Committee on Foreign Affairs.

2112. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting the Department's notice of proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2113 A letter from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting the Department's notice of a proposed new record system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2114. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2115. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2116. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the Council's annual report for fiscal year 1986, pursuant to 16 U.S.C. 470(b); to the Committee on Insular Affairs.

2117. A letter from the Comptroller General of the United States, transmitting a report on the proposed guidelines of the U.S. Sentencing Commission, pursuant to Public Law 98-473, Section 235(a)(i)(B)(ii)(II) (98 Stat. 2032); jointly, to the Committee on Government Operations and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLAND: Committee on Appropriations. Supplemental report on H.R. 2783 (Rept. 100-189, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR: Committee on Rules. House Resolution 263. Resolution providing for the consideration of H.R. 442, a bill to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians (Rept. 100-301). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. Report on subdivision of budget totals agreed to in the Concurrent Resolution on the budget (H. Con. Res. 93) for Fiscal Year 1988 (Rept. 100-302). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JACOBS:

H.R. 3280. A bill to amend the Fair Labor Standards Act of 1938 to exempt from the overtime requirements of that act certain individuals employed in the cleaning of carpets or fabrics; to the Committee on Education and Labor.

By Mr. KLECZKA (for himself, Mr. ST GERMAIN, Mr. SCHUMER, Mr. LAFALCE, Mr. KANJORSKI, Mr. PETRI, Mrs. COLLINS, Mr. OWENS of Utah, and Mr. SMITH of Florida):

H.R. 3281. A bill to amend section 235 of the National Housing Act to encourage the refinancing of mortgages, loans, and advances of credit for which assistance payments are provided under the lower income homeownership program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. NELSON of Florida:

H.R. 3282. A bill to reform the laws relating to former Presidents; jointly, to the Committees on Post Office and Civil Service and the Judiciary.

By Mr. PEPPER:

H.R. 3283. A bill to allow the obsolete submarine United States ship Turbot to be transferred to Dade County, FL, before the expiration of the otherwise applicable 60-day congressional review period; to the Committee on Armed Services.

By Mr. RITTER:

H.R. 3284. A bill to direct the Secretary of Transportation to carry out a highway demonstration project to extend Pennsylvania State Route 33 to provide a limited access highway to connect Interstate Routes I-78 and I-80; to the Committee on Public Works and Transportation.

By Mr. UDALL:

H.R. 3285. A bill to amend the Atomic Energy Act of 1954 to reorganize the functions of the Nuclear Regulatory Commission by abolishing the Commission and in its place establishing the Nuclear Energy Regulatory Agency, an inspector general thereof, and a Nuclear Safety Board in order to promote safer and more effective and efficient nuclear regulation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:

H.R. 3286. A bill to amend the Carl D. Perkins Vocational Education Act to clarify the distribution of assistance under such act to single parents and single pregnant woman; to the Committee on Education and Labor.

By Mr. WORTLEY (for himself, Mr. LAGOMARSINO, Mr. SCHULZE, Mr. PETRI, Mr. MCGRATH, Mr. HUGHES, Mr. DONALD E. LUKENS, Mr. COURTER, Mr. HANSEN, Mr. DWYER of New Jersey, Mr. DIOGUARDI, and Mr. SPENCE):

H.R. 3287. A bill to amend the Ethics in Government Act of 1978 to require legislative branch employees who are cleared for access to classified information to file an annual financial disclosure statement; to the Committee on Rules.

By Mr. BRUCE (for himself, Mr. MARKEY, Mr. BRYANT, Mr. LELAND, Mr. SWIFT, and Mrs. COLLINS):

H.R. 3288. A bill to require the Federal Communications Commission to reinstate restrictions on advertising during children's television, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GARCIA (for himself and Mr. LEACH of Iowa):

H.R. 3289. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEWIS of Florida:

H.R. 3290. A bill to settle Seminole Indian land claims within the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER (for himself and Mr. WYDEN):

H.R. 3291. A bill to amend title XVIII of the Social Security Act to limit the rate of increase of the part B Medicare premium to the rate of increase in Social Security benefits; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RANGEL (for himself, Mr. GILMAN, Mr. ACKERMAN, Mr. AKAKA, Mr. BIAGGI, Mr. CONYERS, Mr. CROCKETT, Mr. DE LUGO, Mr. FASCELL, Mr. FAUNTROY, Mr. FLAKE, Mr. FRANK, Mr. FUSTER, Mr. GUARINI, Mr. KILDEE, Mr. LEVIN of Michigan, Mr. MATSUI, Mr. PEPPER, Mr. RODINO, Mr. STARK, Mr. STOKES, Mr. SUNIA, Mr. TOWNS, Mr. TRAFICANT, and Mr. WEISS):

H.R. 3292. A bill to establish certain grant programs relating to acquired immune deficiency syndrome among intravenous substance abusers, and for other purposes; to the Committee on Energy and Commerce.

By Mr. RODINO (by request):

H.R. 3293. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. WHITTAKER (for himself, Mr. BATES, Mr. SYNAR, Mr. SCHEUER, Mr. RITTER, and Mr. WYDEN):

H.R. 3294. A bill to amend the Federal Food, Drug, and Cosmetic Act to regulate the sale and distribution of tobacco products containing tar, nicotine, additives, carbon monoxide, and other potentially harmful constituents, and for other purposes; to the Committee on Energy and Commerce.

By Mr. JACOBS:

H.J. Res. 358. Joint resolution proposing an amendment to the Constitution of the United States permitting the President to grant a pardon to an individual only after such individual has been convicted; to the Committee on the Judiciary.

By Mr. RICHARDSON (for himself, Mr. LUJAN, Mr. ORTIZ, Mr. TORRES, Mr. BUSTAMANTE, Mr. ROYBAL, Mr. FUSTER, Mr. GARCIA, Mr. DE LA GARZA, and Mr. MARTINEZ):

H.J. Res. 359. Joint resolution designating April 8, 1988, as "Senator Dennis Chavez Day"; to the Committee on Post Office and Civil Service.

By Mr. SHUSTER:

H.J. Res. 360. Joint resolution designating October 1988 as "Pregnancy and Infant Loss Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. WATKINS (for himself, Mr. TOWNS, Mr. EVANS, Mr. ENGLISH, Mr. HORTON, Mr. DYSON, Mr. UDALL, Mr. VOLKMER, Mr. HUGHES, Mr. COELHO, and Mr. CHAPMAN):

H.J. Res. 361. Joint resolution recognizing, encouraging, and supporting the National Rural Crisis Response Center; to the Committee on Post Office and Civil Service.

By Mr. CONYERS (for himself, Mr. WOLPE, Mr. CROCKETT, Mr. GRAY of Pennsylvania, Mr. CONTE, Mr. DYMALLY, MR. UDALL, Mr. LELAND, Mrs. SCHROEDER, Mr. DELLUMS, Mr. MAVROULES, and Mr. EDWARDS of California):

H. Con. Res. 189. Concurrent resolution condeming the indiscriminate killing of innocent and unarmed civilians and other acts of sabotage committed by the Mozambique National Resistance [RENAMO] and urging President Reagan to continue to recognize the Mozambican Government; to the Committee on Foreign Affairs.

By Mr. JACOBS:

H. Con. Res. 190. Concurrent resolution condemning the use of rapid decompression as a method of animal euthanasia; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOEHLERT:

H.R. 3295. A bill for the relief of Nancy L. Brady; to the Committee on the Judiciary.

By Mr. WYLIE:

H. Res. 264. Resolution to commemorate the 25 years of service of the Reverend Father Anthony P. Sarris as priest of the Annunciation Greek Orthodox Church of Columbus and its parish; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 51: Mr. JACOBS, Mr. TRAFICANT, Mr. SAWYER, and Mr. WALGREN.

H.R. 190: Mr. WORTLEY, Mr. FOGLIETTA, and Ms. SLAUGHTER of New York.

H.R. 245: Mr. BAKER, Mr. CARDIN, and Mr. MARTINEZ.

H.R. 372: Mr. MARLENEE.

H.R. 514: Mr. FOGLIETTA and Mr. TORRICELLI.

H.R. 592: Mr. BILIRAKIS, Mr. GOODLING, and Mr. MACKAY.

H.R. 594: Mr. DANIEL, Mr. BLAZ, Mr. HOWARD, and Mr. IRELAND.

H.R. 622: Mr. KLECZKA.

H.R. 666: Mr. BARTON of Texas.

H.R. 782: Ms. PELOSI.

H.R. 791: Mr. CONTE.

H.R. 807: Mr. CARR.

H.R. 906: Mr. FORD of Tennessee.

H.R. 907: Mr. EDWARDS of Oklahoma, Mr. AKAKA, Mr. MARTINEZ, and Mr. TORRICELLI.

H.R. 1036: Mr. OXLEY and Mr. PASHAYAN.

H.R. 1082: Mr. MOLLOHAN.

H.R. 1093: Mr. HAYES of Louisiana, Mr. STAGGERS, Mr. ROBINSON, Mr. MONTGOMERY, Mr. OXLEY, Mr. FROST, Mr. MCEWEN, Mr. CLINGER, Mr. CHAPPELL, Mr. DOWDY of Mississippi, Mr. CHENEY, Mr. HALL of Ohio, Mr. STOKES, Mr. SCHUETTE, Mr. BUSTAMANTE, Mr. NEAL, Mr. MILLER of Ohio, Mr. BEREUTER, Mr. FISH, Mr. TAUKE, Mr. WORTLEY, Mr. BURTON of Indiana, Mr. DYSON, Mr. HANSEN, Mr. YATRON, Mrs. SMITH of Nebraska, Mr. GREGG, Mr. JENKINS, Mr. SKEEN, Mr. WISE, Mr. HOYER, Mr. KANJORSKI, Mr. PERKINS, Mr. ARMEY, Mr. RAVENEL, Mr. GUNDERSON, Mr. MCMILLEN of Maryland, Mrs. VUCANOVICH, Mr. WILSON, Mr. DE LA GARZA, Mr. EVANS, Mr. HASTERT, Mr. ENGLISH, Mr. LEATH of Texas, Mr. DICKS, Mr. BUNNING, Mr. BRENNAN, Mrs. PATTERSON, Mr. MADIGAN, Mr. TOWNS, Mr. MCCLOSKEY, and Mr. DERRICK.

H.R. 1115: Mr. GREGG, Mr. MCEWEN, Mr. SMITH of New Jersey, and Mr. WELDON.

H.R. 1442: Mrs. BENTLEY.

H.R. 1481: Mr. NEAL.

H.R. 1495: Mr. DERRICK and Mrs. PATTERSON.

H.R. 1694: Mr. PURSELL.

H.R. 1707: Mr. BADHAM, Mr. RODINO, Mr. FAZIO, Mrs. BOGGS, Mr. DAUB, Mr. PRICE of Illinois, Mr. LEHMAN of California, and Mr. GORDON.

H.R. 1709: Mr. BLILEY.

H.R. 1770: Mr. STARK.

H.R. 1782: Mr. LOTT, Mr. THOMAS of Georgia, and Mr. GEJDENSON.

H.R. 1987: Mr. NICHOLS.

H.R. 2041: Mr. RAHALL.

H.R. 2091: Mr. FOGLIETTA and Mr. MCMILLEN of Maryland.

H.R. 2168: Mr. FAUNTROY and Mr. GEJDENSON.

H.R. 2171: Mr. OWENS of New York and Mr. LEVINE of California.

H.R. 2183: Mr. HAYES of Louisiana, Mr. COOPER, Mr. EVANS, Mr. CARR, and Mr. ESPY.

H.R. 2248: Mr. MRAZEK, Mr. LEVIN of Michigan, Mr. QUILLEN, Mr. VOLKMER, and Mr. DAUB.

H.R. 2260: Mr. BENNETT, Mr. GRANT, Mr. TORRES, Mr. GORDON, Mr. EVANS, Mr. BEREUTER, Mr. ROTH, Mr. ROBERTS, Mr. TAUZIN, Mr. ENGLISH, Mr. FISH, Mr. LANCASTER, Mr. BATES, Mr. FORD of Tennessee, Ms. KAPTUR, Mr. LOTT, and Mr. JONES of Tennessee.

H.R. 2276: Mr. SCHEUER, Ms. PELOSI, Mr. OWENS of New York, and Mr. BERMAN.

H.R. 2423: Mr. SOLARZ, Mr. LANTOS, Mr. DYMALLY, Mr. SAVAGE, Mrs. BOXER, Ms. PELOSI, Mr. LEVINE of California, Mr. ATKINS, Mr. OWENS of New York, Mr. MORRISON of Connecticut, and Mr. DEFAZIO.

H.R. 2487: Mr. DORNAN of California, Mr. BATES, Mr. MCCLOSKEY, Mr. FOGLIETTA, Mr. VENTO, Mr. ATKINS, Mr. GREGG, Mr. BONER of Tennessee, and Mr. LEHMAN of California.

H.R. 2510: Mr. ATKINS.

H.R. 2585: Mr. LOWERY of California and Mr. YATES.

H.R. 2641: Mr. PETRI, Mrs. MORELLA, Mr. ATKINS, Mr. MRAZEK, Mr. CONTE, and Mr. STUDDS.

H.R. 2675: Mr. SHAW, Ms. KAPTUR, and Mrs. BENTLEY.

H.R. 2676: Mr. ATKINS.

H.R. 2692: Mr. FORD of Michigan, Mr. LELAND, Mr. CONTE, Mr. FLORIO, Mr. DONNELLY, Mr. MAVROULES, and Mr. LEVINE of California.

H.R. 2699: Mr. DUNCAN and Mr. BARNARD.

H.R. 2776: Mr. BIAGGI, Mr. OBEY, Mr. GRANDY, Mr. DAUB, Mr. BUSTAMANTE, Mr. MARLENEE, and Mr. FOGLIETTA.

H.R. 2791: Mr. RINALDO.

H.R. 2844: Mr. BONIOR of Michigan and Mr. GEJDENSON.

H.R. 2878: Mr. STAGGERS.

H.R. 2883: Mr. FEIGHAN, Mr. GREGG, Mr. BONKER, Mr. AKAKA, Mr. YOUNG of Florida, Mr. MFUME, Mr. GRAY of Pennsylvania, Mr. ECKART, and Mr. COUGHLIN.

H.R. 2911: Mr. LEVIN of Michigan.

H.R. 2922: Mr. NEAL and Ms. OAKAR.

H.R. 2977: Mr. ANDREWS, Mr. LIVINGSTON, Mr. DONNELLY, Mr. GRANDY, Mr. NOWAK, Mr. LEACH of Iowa, Mrs. MORELLA, Mr. COBLE, Mr. BALLENGER, Mr. DOWDY of Mississippi, Mr. JONES of North Carolina, Mr. BOEHLERT, Mr. VENTO, Mr. PRICE of North Carolina, Mr. CONTE, Mr. SHUMWAY, Mr. HAWKINS, Mr. TORRICELLI, Mr. WALKER, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. YATRON, Mr. NATCHER, Mr. MCDADE, Mr. GORDON, Mr. DERRICK, Mr. MONTGOMERY, Mr. MFUME, Ms. OAKAR, Mrs. BYRON, Mr. JACOBS, Mr. ANDERSON, Mr. BARTLETT, Mr. COMBEST, Mr. HEFNER, Mr. WISE, Mr. DENNY SMITH, Mr. BUECHNER, Mr. OXLEY, Mr. SAWYER, Mr. ROEMER, Mr. RINALDO, Mr. SAXTON, Mr. GILMAN, Mr. ESPY, Mr. ARMEY, Mr. HEFLEY, Mr. ROE, Mr. DURBIN, Mr. BORSKI, Mr. MCEWEN, Mr. RAVENEL, Mr. LOTT, Mr. SHARP, Mr. COUGHLIN, Mr. BADHAM, Mr. MCCLOSKEY, Mr. LEVIN of Michigan, and Mr. BARTON of Texas.

H.R. 2983: Mr. BARTLETT, Mr. MINETA, Mr. DEWINE, Mr. LAGOMARSINO, Mr. MRAZEK, Mr. NIELSON of Utah, Mr. DIOGUARDI, Mr. WYDEN, Mr. FROST, Mr. WORTLEY, Mr. FAZIO, Mr. ATKINS, and Mr. WALGREN.

H.R. 2985: Mr. STOKES and Mr. PEPPER.

H.R. 3011: Ms. SLAUGHTER of New York, Mr. HUGHES, Mr. DWYER of New Jersey, Mrs. ROUKEMA, Mr. ATKINS, Mr. VENTO, and Mr. HOWARD.

H.R. 3021: Mr. LANCASTER.

H.R. 3026: Mr. BURTON of Indiana, Mr. BEVILL, Mr. DAVIS of Illinois, Mr. OXLEY, Mr. HENRY, Mr. MARTINEZ, Mr. MCEWEN, Mr. BROWN of Colorado, Mr. GREGG, Mr. FROST, Mr. FAWELL, Mr. SMITH of Florida, Mr. LAGOMARSINO, and Mr. SCHUETTE.

H.R. 3069: Mr. MADIGAN.

H.R. 3101: Mr. SMITH of Florida, Mr. ALEXANDER, Mr. SHUMWAY, Mr. BERMAN, Mr. OWENS of New York, Mr. ESPY, and Mr. BLAZ.

H.R. 3161: Mr. BILIRAKIS.

H.R. 3169: Mr. LANCASTER.

H.R. 3175: Mr. BEILENSON, Mr. OXLEY, and Mr. PENNY.

H.R. 3176: Mr. BEILENSON and Mr. OXLEY.

H.R. 3179: Mr. HOWARD, Mr. HORTON, Mr. MFUME, Mr. TOWNS, Mr. FISH, Mr. HOCHBRUECKNER, Mr. GEJDENSON, and Mr. FAUNTROY.

H.R. 3229: Mr. LAGOMARSINO.

H.J. Res. 144: Mr. HASTERT, Mr. HERTEL, Mr. FOLEY, Mr. MINETA, and Mr. LOWRY of Washington.

H.J. Res. 234: Mr. WYLIE, Mr. GRANDY, Mr. HOLLOWAY, Mr. DONALD E. LUKENS, Mr. FAUNTROY, Mr. CHAPPELL, Mr. HAMMERSCHMIDT, Mr. HUBBARD, Mr. BLILEY, Mr. DIOGUARDI, Mr. STOKES, Mr. KEMP, Mr. MOLINARI, Mr. MACKAY, Mr. DICKS, Mr. REGULA, Mr. WATKINS, Mr. BILIRAKIS, Mr. CARDIN, Mr. GRANT, Mr. STARK, Mr. APPLEGATE, Mr. MOLLOHAN, Mr. ST GERMAIN, Mr. PURSELL, Mr. CHANDLER, Mr. MARKEY, Mr. KENNEDY, Mr. BOUCHER, Mr. BERMAN, Mr. WILSON, Mr. ANDERSON, Mr. BOSCO, Mr. SYNAR, Mrs. LLOYD, Mr. WISE, Mr. YATES, Mr. GUNDERSON, Mr. LANTOS, Mr. GEJDENSON, Mr. DENNY SMITH, Mr. JEFFORDS, Mr. SOLOMON, Mr. PETRI, Ms. KAPTUR, Mr. HOYER, Mr. GUARINI, Mr. DUNCAN, Mr. JONES of North Carolina, Mr. FRANK, Mr. BATEMAN, Mr. CONYERS, and Mr. SWINDALL.

H.J. Res. 260: Mr. MCDADE, Mr. MADIGAN, Mr. LAGOMARSINO, Mr. FAZIO, Mr. BONER of Tennessee, Mr. DIXON, Mr. LIPINSKI, Mr. HORTON, Mr. VOLKMER, Mr. ATKINS, Ms. OAKAR, Mr. ROBERT F. SMITH, Mr. ANDERSON, Mr. TORRICELLI, Mr. FIELDS, Mr. MRAZEK, Mr. DE LUGO, Mr. PEPPER, Mr. DENNY SMITH, Mr. GRAY of Illinois, Mr. KOSTMAYER, Mr. MARTINEZ, Mr. LIVINGSTON, Mr. KENNEDY, Mr. FISH, and Mr. MOAKLEY.

H.J. Res. 272: Mr. STRATTON, Mr. BATEMAN, Mr. NELSON of Florida, Mr. MATSUI, Mr. HAYES of Louisiana, Mr. SABO, Mr. WYDEN, and Mrs. VUCANOVICH.

H.J. Res. 287: Mr. BENNETT, Mr. CONTE, and Mr. CHANDLER.

H.J. Res. 315: Mr. EMERSON.

H. Con. Res. 97: Mr. FOGLIETTA.

H. Con. Res. 101: Mr. WEISS, Mr. MOLLOHAN, Mr. CROCKETT, Mr. SUNIA, and Mr. SCHUETTE.

H. Res. 114: Mr. MARLENEE and Mr. NIELSON of Utah.

H. Res. 188: Mr. RAVENEL, Mr. BARNARD, and Mr. MOORHEAD.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2260: Mr. PETRI.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

72. By the SPEAKER: Petition of Harry E. and Ruth B. Saxton, Lorimor, IA, relative to medical assistance to cattle; to the Committee on the Judiciary.

73. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to the Endangered Species Act and western water projects; to the Committee on Merchant Marine and Fisheries.

74. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to dams with safety problems; to the Committee on Public Works and Transportation.

75. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to water quality certification; jointly, to the Committee on Public Works and Transportation and Energy and Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3030

By Mr. BROWN of Colorado:

—At the end of SEC. 109 insert the following:

(h) Section 1.9 (12 U.S.C. 2017) is amended—

(1) by striking out "85" and inserting in lieu thereof "80".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to loans applied for and made after the date of enactment of this Act.

H.R. 3030

By Mr. DINGELL:

—Page 144, beginning on line 10, strike out all of title III of the bill through page 177, line 19, and redesignate the succeeding title and sections and conform the table of contents accordingly.

H.R. 3030

By Mr. JEFFORDS:

—Page 170 on line 4, strike the close quotes and period at the end of the sentence and insert the following after line 4:

"SEC. 5.92. BORROWER RIGHTS.—The provisions of section 4.13, as amended by the Agricultural Credit Act of 1987, and sections 4.14A, 4.14C through 4.14F, 4.21, and 4.22 as added by such Act shall apply to any loan that is originated by a non-Farm Credit System institution and that is subject to this title to the same extent that such provisions would apply to such loan had it originated with an institution of the Farm Credit System under regulations prescribed by the Farm Credit Administration"."

—Page 170, line 20: strike all after "TITLE IV—REORGANIZATION OF THE FARM CREDIT SYSTEM" through page 181, line 16.

—Strike Subsection 6.3(b) and insert in lieu therof the following:

Sub(b):

Within 90 days after the creation of the bank for cooperatives, borrowers which were stockholders of the district banks for cooperatives operating under title III on the date of the enactment of this Act shall vote either to remain part of the bank for cooperatives or to have the Service Bank located in the same regional area as such stockholders retain the authorities of a bank for cooperatives as provided under title III.

Sub(c):

A majority vote of stockholders and contributors to guaranty funds described in title III shall be required for each Service Bank regional area in order for the Service Bank in that regional area to retain the authorities of a bank for cooperatives as provided under title III. The majority vote shall be required based on both (1) the one-man one-vote provisions of section 5.2(c) and (2) a majority of the total equity interests (not including unallocated surplus and reserves) held by voting stockholders and contributors to guaranty funds in the district bank(s) for cooperatives covered by each Service Bank regional area.

SENATE—*Wednesday, September 16, 1987*

The Senate met at 8:30 a.m., and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

The Lord is my shepherd, I shall not want. He leadeth me * * *.—Psalm 23:1.

Mighty Lord, in the pragmatic world of politics, it is easy to treat the words of the Shepherd's psalm as beautiful and irrelevant to hard, harsh reality. But in so doing, we deprive ourselves of the solid promise, "I shall not want"—we compound our confusion in rejecting Your promised leadership. We walk in darkness because we refuse Your light. Gracious Shepherd, the Senate confronts an impossible agenda. The mountain of legislative responsibility—plus the atmosphere of controversy and conflict—the relentless shadow of a faraway national election—the critical urgency of momentous issues impose a superhuman reality demanding superhuman wisdom, direction, energy, and effort. Patient God, forgive us for our indifference to Your word and awaken the Senate to the availability of the Good Shepherd and His faithfulness to fulfill His promise. Teach them to walk in His way for their own satisfaction, the good of the Nation and the glory of God. Amen.

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. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 16, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

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

RECOGNITION OF THE ACTING DEMOCRATIC LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the acting Democratic leader, the Senator from Wisconsin, is now recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the majority leader and the minority leader be reserved for their use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. I understand that under the order, we now have time for morning business. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

WHY WE CAN HAVE EITHER ARMS CONTROL OR SDI, BUT NOT BOTH

Mr. PROXMIRE. Mr. President, President Reagan has announced that after the agreement between the two superpowers eliminating intermediate and short-range nuclear weapons from Europe has been reached, the next step on the arms control agenda is a mutual United States-Soviet 50-percent reduction in strategic nuclear missiles. Sounds great. Is such an agreement possible? Would the Soviets agree to cut their 10,000 strategic nuclear warheads in half, if we agreed to do the same with our 10,000 strategic warheads? The answer is almost certainly an emphatic "No!" Why no? Because there is one sure way the Soviet Union could lose the credibility of its deterrent.

Here's what it would require: First, it would take a sharp reduction in the Soviet strategic nuclear warheads. The 50-percent reduction would constitute a good first step. It would require an intense development and deployment of an advanced United States missile defense, a strategic defense initiative [SDI] that might work if the Soviets could be persuaded to reduce their strategic warheads enough. How much is enough? Perhaps down to 1,000 or 2,000 or, if possible, less. This reduction of Soviet warheads is the one absolutely prime prerequisite for the success of SDI. If through arms control we could persuade the Soviets to limit their nuclear arsenal, if we could further persuade them to confine their arsenal to stationary land-based missiles, and if we could find a way to limit the missiles that carry the Soviet warheads to the present slow-burn launchers, we just might be able with our SDI kinetic kill vehicles to convince the Soviets that we could stop enough of their missiles in any preemptive attack that much of the United States could survive and the once great Soviet nuclear deterrent might no longer be able to deter an American nuclear attack.

Is this scenario ridiculous? Of course, it is. There is no way the Soviets will agree to a 50-percent reduction in their offensive nuclear deterrent or, indeed, to any reduction or even a limitation on expansion of their deterrent as long as we appear to be on the verge of deploying SDI. The Soviets surely understand that they can overcome SDI by simply expanding their nuclear deterrent by whatever multiple they calculate SDI can reduce their penetration to U.S. targets. If SDI can stop 50 percent of their penetration, they double their warheads; 90 percent, they increase their warheads by a factor of 10. This is the way the other side neutralizes any SDI progress. An administration that wants an arms control agreement with the U.S.S.R. to reduce both arsenals abides by the ABM Treaty and keeps SDI in its research phase. An administration that wants the U.S.S.R. to reject United States offers to cut both arsenals by 50 percent can achieve that by simply pushing ahead with SDI. This is precisely what the Reagan administration is doing. So how do we persuade the Soviets to cut their nuclear arsenal from the present 10,000 down to 5,000? We agree to continue to keep the ABM Treaty with its strict formal interpretation in effect.

Some argue that the Soviets could agree to cut their nuclear warheads to 5,000 with no significant risk no matter what we do with SDI. They would contend that no conceivable SDI that we could develop in the next 25 or 30 years could possibly prevent more than 90 percent of the U.S.S.R. warheads from penetrating the SDI defense. A 10-percent penetration by U.S.S.R. warheads would mean that 500 warheads would strike United States cities. The National Academy of Science experts tell us that 100 Soviet warheads reaching American targets would devastate our cities and kill between 35 and 55 million Americans. So why wouldn't 5,000 Soviet warheads be enough to continue a credible Soviet deterrent? The answer is because neither the Soviet nor the American experts have any real idea how effective SDI might be. We wouldn't know until a few minutes after the first preemptive strike.

So, what do nations do when faced with the kind of terrible uncertainty that their deterrent might lose credibility? They assume the worst. So they keep building their nuclear arsenal. They certainly do this when the cost

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

of multiplying their offensive nuclear warheads is so much less than the SDI cost of defending against such an endless offensive buildup.

In conclusion, it is clear that to put a cap on this terribly dangerous race to build up offensive nuclear arms is an essential first step to preventing an accidental or calculated catastrophe. It would be even better to actually reduce these insanely redundant arsenals as the President has said he wishes to do. But to take either of these steps, it is critical that both sides recognize that attempts by either to weaken or destroy the credibility of the other's deterrent by an antimissile defense—an SDI—is sure to destroy any prospect of an offensive nuclear limitation or reduction agreement by the other side. We must make up our minds. We can have a comprehensive arms control, limiting nuclear weapons on both sides, or we can have a strategic defense initiative that will threaten the other side's deterrent. We cannot have both.

MORNING BUSINESS

Mr. KARNES. Mr. President, a parliamentary inquiry. What time allotments do we have this morning?

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period to transact morning business, not to extend beyond 9 a.m., with Senators permitted to speak therein for up to 3 minutes each.

Mr. KARNES. I thank the Chair.

PROTECTING "PIK" FROM THE IRS

Mr. KARNES. Mr. President, I am pleased to take the floor today to discuss an important piece of tax legislation designed to protect farmers from the Internal Revenue Service attempt to "pick away" at the PIK and Roll Program. I would like to thank my good friends and colleagues, Senators GRASSLEY and DOLE, for their assistance and cooperation in moving this matter to the attention of the Senate. I am confident that this bill will help many farmers in Nebraska, Iowa, and Kansas, as well as other farm States.

Mr. President, the problem farmers face is based on an IRS revenue ruling, issued earlier this year, the day after the income tax filing deadline for most farmers and months after the time they had to make their tax planning decisions. Potentially, it affects every farmer in this country that participates in the PIK and Roll Program. The IRS ruling would have the effect of increasing this year's income tax burden of those farmers. It would not increase their actual income, but it would tax them as though they had suddenly given themselves a large pay raise.

The bottom line is that farmers would be effectively forced to pay higher income taxes—substantially higher—for this year than they planned for. I think this is wrong. I think it is counterproductive. I think it is bad for planning. Worst of all, I know it is bad for the financial condition of many of our farmers who have weathered the storm of the farm economy and are looking forward to keeping some of the money they earn in their own pockets for a change.

My legislation would reverse the recent ruling, restoring the more favorable tax treatment for PIK and roll transactions.

The Revenue ruling, 87-17, has a significant impact on cash basis taxpayers who declare Commodity Credit Corporation loans as loans rather than as income. Normally, if the loan is forfeited at the time of maturity, the loan proceeds are taxed at that time. If the loan is repaid in cash before its maturity, no taxable event occurs.

But the Revenue ruling treats the loan as a forfeiture when PIK and rolled. The IRS takes the position that CCC loan redemptions with PIK certificates constitute a sale of grain, making the transaction fully taxable immediately. Prior to this ruling, producers presumed that the transaction did not result in taxable income until the grain was sold, unless the taxpayer elected to treat the loan as income.

Of course, the irony of this situation is that if a farmer pays back his Commodity loan with a cash payment, no income is realized at the time the payback is made. However, the ruling requires that if that same payback is made with a PIK certificate, then income is realized at that time. Mr. President, it would seem to this Senator that such a distinction in the law will not do much for the confidence of farmers in the PIK certificates they hold—not when those certificates may cost them at tax time.

The ruling will have a dramatic impact upon those farmers who last year forfeited the grain securing their 1985 Commodity loan, then PIK and rolled the 1986 crop with the expectation that it would be counted as 1987 income. Under the new ruling, these farmers will have income from 2 crop years upon which they will have to pay taxes.

Mr. President, the answer is clear. We should allow the farmers to consider their certificates "as good as cash" for the purposes of paying back their Commodity loans. We should take out the uncertainty and, in their case, the punishment involved in participating in PIK and roll.

I hope the Senate will expedite consideration of this legislation so that the farmers of this Nation may continue their operations without the prospect of paying an inordinate amount of their income to the Treasury next year based on Revenue ruling 87-17.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Idaho is recognized.

ON DISREGARD FOR CONSTITUTIONAL PRINCIPLES IN THE CLEAN AIR ACT AMENDMENTS BEFORE THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

Mr. SYMMS. Mr. President, two centuries ago, representatives from the original American Colonies convened in Philadelphia in an effort to bring unity and order out of their newly won freedom. Four months later, on September 17, they submitted to the Nation a Constitution. Benjamin Franklin, George Washington, James Madison, and the 36 other signers of this new document testified to its lasting value. They firmly believed it contained the principles of good government needed to safeguard liberty, creating a rule of law and not of men or tyrants.

As the convention closed, Franklin expressed his hope that this Constitution would rise like the Sun on a bright new day for human freedom and balanced government. For the first time in centuries, limited power was being granted by the people to the government, and not vice versa. It was the first step in one of the greatest experiments of history, an experiment known as the United States of America.

I, for one, believe that experiment has proven a success. If you want proof, all we have to do is just look around. In the course of the Constitution's bicentennial celebration, Americans across the Nation are thanking in word and song the Founding Fathers who bequeathed to us today a free and properous nation.

But we must remember, Mr. President, that freedom and prosperity don't come without a price. In 1852, a Boston abolitionist named Wendell Phillips accurately noted that the price of liberty is eternal vigilance. Our freedom will not survive if we ignore the principles embodied in the Constitution. On occasions, I have seen this very Congress deviate from those principles with devastating effect. There is no better example of such constitutional abandonment than the Clean Air Act amendments currently being considered by the Senate Environment and Public Works Committee.

I do not want to impugn any of the motives of my colleagues, Mr. President, and let me first credit the bill's authors with having the best of intentions, and I repeat that they have the highest intentions to protect the qual-

ity of America's most shared resource, air. But as Justice Marshall said of Federal laws, it is not enough that their "end be legitimate"; the means to that end chosen by Congress must not contravene the spirit of the Constitution.

Mr. President, the committee's clean air legislation not only contravenes but outright tramples on the spirit of our Constitution. James Madison, the noted father of that revered document wrote, "The powers delegated by the proposed Constitution to the Federal Government are few and defined." He further pointed out that one of the greatest tasks of government was to oblige it to control itself—oblige it to control itself. I repeat that, Mr. President.

And yet the proposed clean air bill that is before the Environment and Public Works Committee today places nothing beyond the grasp of oppressive Federal regulation. Would you believe, Mr. President, it even goes so far as to control the baking of bread. Deeming the fumes rising from baking bread—not from the combustion heating the oven, but from the bread itself—to be an air pollutant, this bill would force bakeries to either install million-dollar emissions control devices, or bake only wheat breads that do not ferment as much.

Such an intrusion of the Government into the lives of Americans is as contrary to the spirit of the Constitution as can be imagined. What limits to Federal power exist if Government is permitted to control aspects of private American life as intrinsic as the baking of bread? And it is not just bakeries that would bear this burden. The bill comes down hard on many already heavily regulated industries such as automobile manufacturers, oil and gas companies, and chemical plants. It goes even further to regulate dry cleaners, paint companies, farmers, and countless other industries whose contribution, if any, to overall pollution is insignificant.

Certainly King George himself was never as intrusive of people's lives as this bill would purport to be. What would General Washington and his compatriots have thought had they know they had defeated the heavy hand of Britain only to be subjugated to a government as burdensome as that proposed in this clean air bill.

I find it difficult to understand how legislation that would drive independently owned bakeries out of business for no significant reason could even be considered by this Congress. Thomas Jefferson certainly knew the fallacy of such a policy. He commented in his time that, "Our legislators are not sufficiently appraised of the rightful limits of their power—that their true office is to declare and enforce only our natural rights and duties, and to take none of them from us."

It is interesting to note that on one occasion as President, Mr. Jefferson wrote: "The path we have to pursue is so quiet that we have nothing scarcely to propose to Congress. A noiseless course, not meddling with the affairs of others, unattractive of notice" was his preferred mode of operation.

Mr. President, the proposed clean air bill which is now pending before the committee, which will be brought up this morning in that committee for markup, as a matter of fact, is far from unattractive of notice. My office has been flooded with calls and letters from individuals who are in fear of losing their livelihoods. I have heard from many in the automotive industry who are concerned with the 10-year/100,000-mile warranty mandated by the bill. Let me share a typical comment and statement from one of those, who express his concern, from a letter that I received:

> This bill with its extended warranty period would present a tremendous problem to everyone in the automotive aftermarket, which I am sure you will agree, adds greatly to America's economy. Not only is this bill anticonsumer, it is also anticompetitive, granting new car dealers a virtual monopoly on parts and service which is something that they have never been able to come close to achieving in an open marketplace. The business community in this country became the greatest in the world by utilizing a free and open competitive market. I feel that this bill is taking a stone from the very foundation of American business that it has taken over 200 years to build.

Mr. President, I have received hundreds of letters making similar comments. Nothing could be further from Mr. Jefferson's advice to Congress: that it pursue noiseless courses that do not meddle in the affairs of others. These automotive repair shops and parts stores are not begging for money, or for special tax treatment, or even for lenient environemtnal regulation. They are merely pleading for the freedom to compete, to be allowed to sell their goods and services free of Government interference. One of the underlying and fundamental axioms of our Constitution is, as Alexander Hamilton wrote, that "an American's entitlement to freedom is incontestible." I repeat that: "An American's entitlement to freedom is incontestible." What are we even proposing legislation like this for, legislation that would put small bakeries out of business, legislation that would preclude small, independent repair shops from working on automobiles, that would fix into law that they have to go to a certain dealership in order to have their car repaired or fixed to comply with Federal regulations.

In the words of Thomas Jefferson: "The freedom and happiness of man * * * [are] * * * the sole objects of all legitimate government." I am as concerned with air pollution as any of my colleagues, and dealing with it will undoubtedly bring about happiness. But if there is a lesson taught by our Constitution, it is that true happiness is not obtained by Government at the expense of freedom. I am convinced that free people safeguarding their constitutionally recognized property rights will breath cleaner air than a people coerced by the whips and chains of Government, an oppressive government.

Mr. President, let us put aisde legislation such as these supposed "clean air" amendments and celebrate the bicentennial of the Constitution by remembering its main purpose, "To secure the blessings of liberty to ourselves and our posterity." May our intention be, as President Reagan has said, "To renew the meaning of the Constitution. To rescue from arbitrary authority the rights of the people. Together, then let us restore constitutional government. Let us renew and enrich the power and purpose of States and local communities and let us return to the people those rights and duties that are justly theirs."

Mr. President, I yield the floor.

Mr. President, I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceeding's be approved to date.

The ACTING PRESIDENT pro tempore. Hearing no objection, that is the order.

PROGRESS ON THE DEFENSE BILL

Mr. BYRD. Mr. President, late last night the Senate was able to begin acting on the Department of Defense authorization bill. Our friends on the other side of the aisle thought better of their filibuster strategy, and we were able to have rollcall votes on amendments and proceed with the important work on this bill.

I hope the action which began last night will accelerate today, and that amendments can be debated, voted on, and disposed of. It is high time that this important bill which authorizes the programs vital to our national defense be enacted by the Senate, sent to a conference with the House, and put on the President's desk.

91-059 O-89-36 (Pt. 17)

Debate will occur today on an amendment which relates to the section of the bill which has attracted the most attention and generated considerable controversy. I assume there will be considerable debate on this amendment or motion offered by the Senator from Virginia [Mr. WARNER]. This debate will be enlightening, it will be vigorous, and then the Senate will decide this important issue concerning the ABM Treaty.

Mr. President, the debate on this amendment could very well go on all day. But again I want to say that it is important that the Senate act on this bill. Time is running out and the calendar is running out. There is no longer any reason to believe that this Senate can complete its work in October or in early November or perhaps even late in November. Through necessity, the Senate is now at a point where it is going to be forced to stay in session for very long days. And as long as this Defense authorization bill is before the Senate, I intend for the Senate to stay in for many hours every day.

As long as there is no filibuster there will not be any all-night session. But the Senate will be coming in early every day and it will be staying in late every day. There is no way around it. We have too much to do. There are too many amendments and too many of them are controversial and, therefore, will require some considerable time for legitimate debate.

WHAT KIND OF SIGNAL ARE WE SENDING?

Some Senators were given to understand yesterday that the actions of the Senate might send signals to the Soviet Union since the Soviet Foreign Minister, Mr. Shevardnadze, is currently in town for discussions with the administration. What kind of signals are we sending with prolonged filibusters on this bill? First, the bill is important.

The bill is for a strong defense for the United States. The chairman and the ranking member and other members of the Armed Services Committee have produced a bill that allocates over $300 billion to our national defense. It funds vital programs at levels sufficient to ensure that our defenses will remain strong for the rest of this century. Mr. Shevardnadze should recognize that a broad consensus exists in the Senate for a strong national defense.

The second signal that Mr. Shevardnadze should be given is that this Senate is in favor of a responsible approach to arms control, one which advances the security of the United States and its allies and friends, one which reduces the risks of war. That is what the amendment that was offered by the Senator from Georgia [Mr. NUNN], and I, and which was adopted last night by a vote of 92 to 1, means. That is its signal.

Signal No. 3: The Senate takes the treaty obligations of the United States seriously. It does not look lightly on decisions which could affect the obligations of the United States under international law and, more to the point, which are part of the law of the land of the United States. This signal has relevance for any treaties currently under negotiation, any future ratification debate in the Senate. In that sense, Mr. President, we are sending a positive signal about the Senate and about the United States. It is a signal which should help the arms control process move forward.

There will be further debate about arms control in this bill and it could go on for days. Some of the issues are controversial in the Senate, but Mr. Shevardnadze and the Soviets should understand that this Senate takes its arms control responsibilities seriously, that these issues are debated fully and openly, and that the United States Senate is an equal branch of our Government and has an equal role in the making of our international treaties. By "equal role," I mean that it gives its advice and its consent to the making of treaties. And when it comes to the approval of the ratification of treaties, while the Senate does not ratify treaties, as we often hear, the Senate must give its approval to the resolution of ratification of treaties before ratification can occur, and that requires a two-third vote.

Mr. President, as I indicated on last evening, at 9 o'clock this morning I shall suggest the absence of quorum and it will be a live quorum.

Does the Chair have any message which it wishes to lay before the Senate or any statement?

I yield the floor.

BICENTENNIAL MINUTE

SEPTEMBER 16, 1859: SENATOR BRODERICK KILLED IN DUEL

Mr. DOLE. Mr. President, 128 years ago today, on September 16, 1859, a Senator died in California. What made this death remarkable was the fact that the Senator, David Broderick, had been shot 3 days earlier in a duel with David Terry, the former chief justice of the California Supreme Court. A number of early 19th century Senators, including Andrew Jackson, Henry Clay, and Thomas Hart Benton, had attempted to settle personal grievances on the dueling ground, and some had actually killed their opponents, but no sitting Senator, before or after Broderick, would himself meet so barbaric an end.

Broderick, a tough, self-made Democrat, had migrated to California in 1848. Also moving to California that year was Congressman William Gwin of Mississippi, a patrician lawyer and physician. Both men quickly became embroiled in the turbulent politics of the region: Gwin, a slave owner, leading the "chivalry" or pro-slavery wing of the California Democrats, while Broderick's faction vigorously opposed the extension of slavery in California. When California became a State in 1850, the legislature sent the two enemies to the Senate, where they constantly traded insults on the floor.

Back in California in the summer of 1859 to campaign for local candidates, Broderick loudly announced in a hotel dining room that one of Gwin's closest allies, Chief Justice Terry, was corrupt and unfit for office. Terry immediately resigned from the bench and challenged Broderick to a duel. Their first attempt on September 12, was interrupted by the police, but the next morning at sunrise the two men faced each other on a secluded beach beside the Pacific. At the command to fire, Broderick prematurely touched the hair trigger, firing his bullet into the sand at Terry's feet. Terry coolly aimed, fired, and shot Broderick in the chest. Broderick lingered in great pain for 3 days until he died on September 16.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The ACTING PRESIDENT pro tempore. Under the previous order the hour of 9 o'clock having arrived the Senate will now resume consideration of unfinished business which is S. 1174. The clerk will report the pending business.

The legislative clerk read as follows:

The bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

CALL OF THE ROLL

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 21]

Byrd	Hecht	Kennedy
Dole	Johnston	Reid

The ACTING PRESIDENT pro tempore. A quorum is not present. The

clerk will call the names of the absent Senators.

The legislative clerk resumed the call of the roll.

Mr. BYRD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators and I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. LEVIN], and the Senator from Rhode Island [Mr. PELL], are necessarily absent.

I also announce that the Senator from New Jersey [Mr. LAUTENBERG] is absent because of death in family.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

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

The result was announced—yeas 83, nays 10, as follows:

[Rollcall Vote No. 246 Leg.]

YEAS—83

Adams	Garn	Mitchell
Baucus	Glenn	Moynihan
Bentsen	Graham	Murkowski
Biden	Gramm	Nickles
Bingaman	Grassley	Nunn
Boren	Harkin	Pressler
Bradley	Hatfield	Proxmire
Breaux	Hecht	Pryor
Bumpers	Heflin	Reid
Burdick	Heinz	Riegle
Byrd	Helms	Rockefeller
Chafee	Hollings	Roth
Chiles	Humphrey	Rudman
Cochran	Inouye	Sanford
Cohen	Johnston	Sarbanes
Conrad	Karnes	Sasser
Cranston	Kassebaum	Shelby
D'Amato	Kennedy	Simon
Danforth	Kerry	Simpson
Daschle	Leahy	Specter
DeConcini	Lugar	Stafford
Dixon	Matsunaga	Stennis
Dole	McCain	Symms
Domenici	McClure	Thurmond
Durenberger	McConnell	Trible
Exon	Melcher	Warner
Ford	Metzenbaum	Wirth
Fowler	Mikulski	

NAYS—10

Armstrong	Hatch	Wallop
Bond	Kasten	Wilson
Boschwitz	Packwood	
Evans	Quayle	

NOT VOTING—7

Dodd	Levin	Weicker
Gore	Pell	
Lautenberg	Stevens	

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

AMENDMENT NO. 682

The PRESIDING OFFICER. Under the previous order, the Glenn amendment is temporarily set aside, and the Senator from Virginia, Mr. WARNER, is recognized to offer an amendment to strike the Nunn-Levin language from the DOD authorization bill.

The Chair recognizes the Senator from Virginia, Senator WARNER.

Mr. WARNER. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia (Mr. WARNER) proposes an amendment numbered 682.

On page 23, strike out line 7 through page 24, line 19.

Mr. WARNER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, first I would like to express my appreciation to the distinguished majority leader and the distinguished minority leader, and my good friend, the chairman of the Senate Armed Services Committee. During the deliberations last night, under the guidance of two strong leaders here in the U.S. Senate, we worked our way through an impasse. I think we have reached a point now where the bill can move forward. I wish to express my appreciation to the leadership for making that possible.

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

Mr. WARNER. Yes.

Mr. BYRD. I want to make that a two-way street. I express my appreciation to the chairman and the ranking member for the work, the hard work, the good work, the excellent work, that they have done in the committee in developing this legislation and in the leadership that they are giving to all of us on the floor with respect to this bill.

I particularly want to salute the distinguished Senator from Virginia for his unfailing courtesy, patience, and cooperation. He never ceases to give all his devotion.

Mr. WARNER. Mr. President, I thank the distinguished majority leader. I also thank my distinguished minority leader, who worked right with us through the late hours of the evening.

I felt, Mr. President, that the debate yesterday was a very constructive debate. While we may have had different perspectives later on in the day as to the course of that debate, unquestionably the earlier hours of the day, I think, contributed greatly to the knowledge of the Members of this body and others who have followed the debate.

Mr. President, we are now at the focal point. With this amendment, we move to take out of the bill that portion which regrettably led all but one Republican, with great reluctance, to vote against the committee action on this bill coming to the floor.

This Chamber has heard, and will continue to hear, the reasons for that action being taken. It is now my opportunity this morning to come directly to the point of my personal concerns, and I think, concerns shared by many others with regard to this amendment.

The debate on the Levin-Nunn provision has been unprecedented in the annals of the annual defense authorization bill. The provision was the only reason why eight of nine Republican members of the committee voted against favorably reporting out an otherwise remarkably balanced defense bill. The provision has been at the center of Republican opposition to taking up consideration of the defense authorization bill on the floor.

Finally, the President has stated publicly his strong opposition to this amendment and has stated—I think with reluctance but nevertheless unequivocally—his intention to veto any bill containing this provision as now drawn.

The Levin-Nunn provision would prohibit the expenditure of funds for development and testing related to the Strategic Defense Initiative [SDI]. It would require a joint resolution of the House and Senate before the President could proceed with any development or testing of SDI systems which could not be conducted under the so-called narrow interpretation of the ABM Treaty.

Last night, the Senate adopted the Byrd-Nunn amendment whereby the Senate "cautions that neither the Congress nor the President would take actions which are unilateral concessions to the Soviet Union." Mr. President, the Levin-Nunn in my judgment, would have the effect of requiring by statute that the President follow the more restrictive of two plausible interpretations of the ABM Treaty, at the particular time when the Soviet Union is seeking an even more restrictive interpretation at the negotiating table.

The Soviets have publicly stated that they recognize neither the narrow interpretation that has been discussed here nor the broad interpretation, but that they have a third interpretation unlike either being considered here in the United States Senate.

The Levin-Nunn provision would have the effect of binding the United States to an interpretation under the ABM Treaty to which the Soviet Union is not bound. Mr. President, the effect of the Levin-Nunn provision seems to this Senator to take the very course of imposing unilateral restrictions that over 90 Senators cautioned against last night—the very words in the Byrd-Nunn amendment.

Embedded in the Levin-Nunn provision are a number of issues, all of which have been addressed during the course of over 4 months of floor debate and floor speeches. There are the legal issues having to do with the interpretation of the ABM Treaty with respect to so-called future systems. Senators on both sides have spent countless hours studying the records that have been available to the Senate and have reported their findings.

The administration, at the direction of the President, has undertaken to study the negotiating record, the ratification record, and the record of subsequent practice, and made these studies available to Senators.

The administration studies of the treaty and the negotiating record concluded that the treaty is ambiguous, and that the negotiating record establishes that the Soviet Union refused to agree to prohibit the development and testing of mobile ABM devices based on other physical principles.

Administration studies of the ratification record concluded that no change occurred in the international obligations undertaken in the treaty through any condition, reservation, or understanding, nor did they find any basis in the Senate record to conclude that the Senate's consent to ratification was premised on a generally held intention that the treaty prohibited development and testing of mobile ABM devices based on other physical principles. The study found in the Senate record, however, representations by executive officers that support the restrictive interpretation upon which Senators could justifiably have relied in granting advice and consent.

The administration study of subsequent practice details the conduct, bilateral agreements, exchanges, and public statements of both the United States and the Soviet Union between 1972 and 1985 relating to future ABM systems. The study concluded that the record of subsequent practice fails to establish a domestic or international legal obligation binding the United States to the restrictive interpretation.

Mr. President, the Levin-Nunn provision also has embedded within it questions related to the conduct of the SDI Research Program and questions related to the most effective use of critical defense dollars. The Congress in last year's defense authorization bill requested an assessment of the impact of the broad interpretation of the ABM Treaty on the SDI Program. In addition to the program related issues, which would allow the program to proceed more quickly, more confidently and with less cost, this study noted that the broad interpretation would permit us to delay a decision on fundamentally altering the ABM Treaty regime by several years until we had confidence that the technologies which we had developed would meet the criteria for deployment. Under the restrictive interpretation, the United States would be forced to make a decision to alter the treaty regime simply to complete the testing portion of the research program.

Mr. President, I note these studies, both by way of underscoring the depth and breadth of the issues that underlie our opposition to the Levin-Nunn provision and to make the point that the President has been, and remains committed to continuing consultations with the Congress and our allies before reaching any decision to restructure the SDI program in accordance with the broad interpretation. Let me make it clear. The President has not made any decision with respect to restructuring the SDI Testing Program. And, might I add, the Pentagon, in its recent review of the readiness of portions of the SDI Program to proceed to the demonstration/validation phase of the acquisition process, has considered a program plan that is consistent with the restrictive interpretation of the treaty.

Mr. President, the legal and program arguments against the Levin-Nunn provision have been and will be detailed by other Senators who share my opposition to their position. Other Senators have spoken on the constitutional questions raised by the provision. Let me conclude my remarks here by underscoring the principal reason for my opposition, and that is its impact on negotiations.

I believe that there is little argument that the SDI Program brought the Soviets back to the negotiating table, and this Senator believes that by hanging tough on the SDI Program, the President has been able to bring the negotiations to the point today where we are very close to an agreement on INF, and there is a more favorable prospect than ever before on reaching agreement on strategic nuclear weapons in START.

We have been told by our negotiators that the Soviets have been insisting on an even more restrictive interpretation than the ABM Treaty as one of their conditions in the course of these negotiations and that the so-called narrow interpretation, to which the Levin-Nunn provisions would bind this program, is not indeed their objective. In the judgment of this Senator, the leverage needed by our negotiators to achieve agreements that are in our national security interest are gravely undermined when the President is effectively forced by statute to follow the more restrictive of two plausible interpretations of the ABM Treaty. The Congress would effectively be establishing a new starting point for the negotiations, and one decidedly in the favor of the Soviet Union.

I therefore urge my colleagues to consider the caution against imposing unilateral constraints on the United States, particularly at this critical time. Last night we overwhelmingly supported that objective by voting for the majority leader's amendment.

Mr. President, the Levin-Nunn provision represents a unilateral constraint on the United States and grants a substantial concession to the Soviets at a critical juncture in the arms control negotiations in Geneva.

Mr. President, later today, I will take up another aspect of this treaty.

If I may have the attention of the distinguished chairman of our committee, I have stated that later today I would like to engage in a colloquy on another aspect of the amendment that troubles me a great deal.

That is the concept of having a joint resolution which would allow the House of Representatives by the presence of a simple majority on the floor of the House to cast a vote which could override the judgment of all 100 Senators who presumably would have at one time or another expressed their views on the floor and quite possibly have cast a vote on this issue. We would be giving to the House, which does not have the constitutional responsibility that the Senate has in the area of treaties, a veto over the judgment of the Senate, and that issue, I say most respectfully to my distinguished colleague, is a troublesome one for this Senator.

Mr. NUNN. I might say to my friend from Virginia in response to that I think it is a legitimate area of inquiry. The Constitution of the United States says that when a treaty is ratified it becomes the law of the land. It is just written as clear as a bell. There is no ambiguity about that. So this treaty is the law of the land.

We can debate what the treaty says, but we know it has been ratified and we know what the Constitution says, and we know that it is the law of the land.

The President said yesterday that laws have to be changed or made by legislatures. The Constitution also sets up a House and a Senate.

Many times we in this body would prefer we have only one body and there are, amazing to me, the ones who feel most strongly in that direction are those who have come here from the House. They seem to believe that many times the House is not on

the same course as the Senate and we would be better off with only one body. I get frustrated, too. I know we have problems in conference. Everything we do in regard to weapons, everything we do in regard to laws, requires both the House and the Senate. That is the way our system works.

I would be absolutely adamantly opposed to any infringement on the Senate's constitutional duty to advise and consent. The House does not have that. The Senator is right. There is a unique role for the Senate in treaties. The question is this is not just a treaty now. It is also the law of the land.

So the Senator's concern I understand, but I do not know of any answer to that that is constitutional.

Mr. WARNER. Mr. President, let me suggest to my good friend to pause a moment and reflect on the statement he just made. If I could paraphrase it, a treaty is the law of the land. In my judgment it is in a separate category, and I will address that later, but the Senator from Georgia said everything we do in connection with the law takes the action of the House and the Senate. Was that basically what the Senator said?

Mr. NUNN. In creating law.

Mr. WARNER. In creating law.

But let us pause for a moment to think how a treaty becomes law. A President negotiates that treaty. That is his sole province.

Mr. NUNN. With the advice of people like my friend from Virginia, who are exercising daily their right under the Constitution to advise and consent.

Mr. WARNER. But we are careful, the two of us being in that group traveling periodically to Geneva to meet with the negotiators, to meet with them here, not to try and dictate any of the instructions or the terms and conditions.

But if I may just continue my train of thought and come back to that.

Mr. NUNN. I would like to come back to that and I will.

Mr. WARNER. But pause with me. The President negotiates that treaty. Then it is sent to this body and this body alone under the advise and consent clause, and it is the action of this body which then enables the treaty to become law.

In my judgment that procedure sets the category of treaties apart in the generic term of the law of the land.

I thank the Senator.

Mr. NUNN. May I respond to my friend from Virginia? Let us assume something here. Let us just hypothetically assume we have the right to under the ABM Treaty—I do not think there is any dispute on this—to deploy, I believe it is 100 fixed land-based ABM interceptors. The Soviets have that right also.

Now, that is in the treaty and that has been passed.

Let us assume the President decides that he is going to ask the Congress or the Senate under the treaty for the right to deploy those 100 interceptors. He is going to ask for funding. Would the Senator from Virginia believe that only the Senate should approve the funding for that?

Mr. WARNER. Mr. President, quite logically the purse strings of the United States are controlled by both Houses.

Mr. NUNN. The Senator is exactly right. This amendment is a control of the purse string. This amendment is not a writing into law of the ABM interpretation.

The Senator from Virginia acknowledged that when we first started the debate way back in May. If we wanted to draft a piece of legislation that said what the narrow interpretation was and said that was the law and we are going to put it into law, we could have done that. We did do that. What we did do is we made it plain that these tests that the administration has come forward and asked for the funding on, $5.5 billion, $5.7 billion, and we put $4.5 billion in this bill, these tests have been laid out by the administration in their own words as in keeping with the traditional interpretation of the treaty.

Jim Abrahamson testified to that before the Appropriations Committee and the Armed Services Committee.

As I said to my friend from Virginia, the only thing we are saying is if the administration departs from what they said they were going to use this money for, they have to come back and as they would on any other weapon or any other tests where we are concerned about it and get approval of the Congress.

So it is a purse-string issue. That is what we are talking about. We are not trying here to write into the law what the treaty means. We are saying if the administration deviates from the testing program that they have set up which is in keeping with the traditional interpretation as interpreted by the Nixon administration, Ford administration, Reagan administration, and Carter administration, that they have to come back to the Congress for that funding. In other words, we are not giving them a blank check. That is the reason that I have agreed over and over and still would agree to take the $4.5 billion in this provision and remove them from the bill and go forward with everything else and sit on this SDI money until we can come to agreement with the administration about how it is going to be used.

So it is a matter of purse strings, and the House of Representatives is not only involved in purse strings, the House of Representatives originates all the appropriations bills. That is to me the answer to the Senator's concern. I think it is a concern and let me come back just briefly——

(Mr. PROXMIRE assumed the chair.)

Mr. WARNER. Mr. President, if I might interrupt my distinguished colleague, I had allocated to other Senators time to also address this question. We will have the privilege, the two of us, of being on the floor for some extensive period.

I would only point out, and will pursue this later, the language the Senator rather skillfully quotes in the provision itself is the very language from the ABM Treaty, and that says the limitations shall cease and then the Senator places the conditions. He has incorporated the language of the treaty into this provision and that was the stroke, intentionally or unintentionally, when he in my judgment let the House have a one-House veto over the action of the Senate.

Mr. NUNN. May I say to my friend from Virginia that the language of the treaty was very precise in what was limited and I think the language is clear as to what was limited. Otherwise, the Senator from Virginia would not be concerned about it.

That raises the question, if the language is so clear, why is the big debate between the broad and the narrow?

Mr. WARNER. Mr. President, we shall develop this in the course of the day.

Mr. NUNN. If I could just pursue with my friend from Virginia, this is the exact language of the treaty and this is what the opposition side says is to be interpreted broadly.

If that is the case, why are you concerned about it being written into the bill?

Mr. WARNER. I do not want to see written into the statute any implicit interpretation of a treaty and allow the House of Representatives to make that interpretation.

Mr. NUNN. I say to my friend that is not an interpretation. That is the exact language.

Mr. WARNER. Mr. President, we will deal with that as the day unfolds.

The PRESIDING OFFICER. Who seeks recognition?

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. WILSON. Thank you, Mr. President.

Mr. President, later today there will be a ceremony on the west steps in which the President and Members of Congress participate in a ceremony celebrating the bicentennial of our Constitution. And yet last night, Mr. President, the Members of this body celebrated it in a very strange fashion. You might say, to quote from Hamlet, they honored it in the breach.

Interestingly enough, earlier that day, yesterday, some of those who

voted last night to place themselves above the Constitution had participated in the hearings of Judge Bork where they were quite critical of his conduct, finding it to be in conflict with their interpretation of the Constitution.

Let me be specific and come directly to the point, Mr. President, because last night we had two votes, one on the so-called Dole-Warner amendment, which put forth a very simple proposition that the Senate of the United States should refrain from intruding upon the prerogative, in fact, the exclusive responsibility assigned by the Constitution to the President for the negotiation of treaties.

It ignored the language which I think is virtually irresistible that, "The Congress must not act to further the interests of the Sovet Union by unilaterally adopting the Soviet negotiating positions"—I underscore "negotiating"—"that have been rejected by the United States Government."

Then Mr. President, what they did pass, which passed with a single dissenting vote, was an amendment offered by the distinguished majority leader and the chairman of the Armed Services Committee which said, in language that did not quite address the point, that the Congress and that the Senate "endorses the principle of mutuality and reciprocity in our arms control negotiations with the Soviet Union and cautions that neither the Congress nor the President should take actions which are unilateral concessions to the Soviet Union."

Mr. President, having just voted last night for an amendment that cautions the Senate not to take actions which are unilateral concessions to the Soviet Union, we have this morning before us a motion to strike precisely such a concession.

And let no one be in any doubt as to the actual character of the Levin-Nunn amendment. It represents a unilateral concession to the Soviet negotiating position which has been rejected by the U.S. Government, specifically by our Geneva negotiators who for a very long time have been engaged in talks not just on intermediate range missiles, not just on strategic weaponry, but also on space. And let no one be in any doubt that this intrusion by the Levin-Nunn amendment would have a very dramatic impact upon those negotiations.

Now what the Levin-Nunn amendment does, simply stated, is to condition all future funding of the strategic defense initiative upon the administration's acceptance of the narrow interpretation of the Antiballistic Missile Treaty. Or, to put it in layman's language, we cannot spend further to implement the goals of the strategic defense initiative unless we agree that the money is going to be spent only for research and not for the development and testing of the kind of defenses against a missile attack that the whole ABM concept is designed to achieve. We are constrained to research. We cannot go forward with certain development and testing.

That is a strange constraint. It is one that is consistent only with the idea that we are safe only if we guarantee our vulnerability. The doctrine of mutually assured destruction is a doctrine of mutual vulnerability. However, is it indeed mutual? Have the Soviets thought so?

Contrary to what my friend from Georgia would have us believe, there is no clear and consistent understanding of what this ABM Treaty has meant, either on our side of the Atlantic or on the other side of the Urals. And in fact, the Soviet interpretation has changed. Why is it, Mr. President, that as late as 1985, the Soviet Union put forward a proposal that would in fact give rise to the very suspicion that, until that moment, they believed in a broad interpretation. In March 1985, the Soviets in Geneva proposed to prohibit all testing, development, and deployment of space-based ABM systems. Now, why would they do that if in fact it was everyone's understanding that such a prohibition was already in effect?

Very clearly, the only logical answer to that question is that until that moment, they did not feel a need, but they felt a need to make it clear that there had to be such a prohibition. That bespeaks very plainly on their part in the broad interpretation, the broad interpretation meaning one that would permit the development and testing of so-called, future or exotic antiballistic missile systems.

I said, "Let no one be in doubt as to the impact of the Levin-Nunn amendment on negotiations in Geneva." Let me explain that.

We have had, as I say, negotiators trying to achieve a breakthrough with respect to strategic weapons. We are all hopeful that later this fall there may be the announcement of an agreement as to a wise and workable agreement that will reduce for the first time offensive weapons of an intermediate range. But, candidly, what would be far more important would be an announcement that we were able to achieve a wise and workable agreement that would reduce strategic weapons. But is that likely? It is unlikely, Mr. President, for the very reason that the Soviet negotiating strategy—and there is no secret to anyone who reads the newspapers—has been to establish a linkage between progress in reducing strategic arms and progress, as they term it, in constraining the U.S. SDI program.

Now, this, of course, is hardly mutuality and reciprocity of the kind envisioned by the Byrd-Nunn amendment last night because the Soviets themselves have, for many years, been engaged in precisely the kind of research that they would have us abandon altogether. But, Mr. President, if one is in any doubt that this, as a practical matter, is having an impact upon those negotiations, then we should listen to the words of our negotiators in Geneva.

Two afternoons ago, before the Senate Armed Services Committee, we had those negotiators present. In response to my question to them as to what the passage of the Levin-Nunn amendment would bring to their negotiating posture, Ambassador Paul Nitze stated that the passage of the amendment would be, to quote him, "most unhelpful."

Ambassador Henry Cooper spelled it out a little more clearly. He said it would necessarily narrow the range of our negotiations so that the spectrum would span from a restrictive interpretation of the treaty to an outrageously restrictive interpretation.

What he is saying is that we are moving, by this unilateral concession, ever nearer to the Soviet position and, in fact, moving so near to the Soviet position that we would so constrain our own strategic defense initiative policy that according to a study requested in the 1987 defense authorization bill we would engender a cost to that program of several years' delay, at least 3 years' delay, and $3 billion in the costs of the program.

Why do we do this to ourselves? Mr. President, there is no good answer. The only answer that makes any sense is that we must continue to make ourselves vulnerable.

You know, it is an extraordinary thing—I do not know if your experience has been what mine has been—going into town meetings or meetings with service clubs, intelligent audiences who read, who try to keep informed. It is a very interesting thing that when you ask the question of that kind of an audience, "How many of you think that we have an adequate system of antiballistic missile defense here in the United States?" You will get maybe half the room raising their hands.

I no longer ask the question because I no longer wish to embarrass the audiences because the answer is, and the audiences are shocked by the answer, we have no defense against ballistic missiles; none.

Mr. President, that is a perilous situation. I hope that we will see a time in the near future when in fact we do reduce the missile inventory, of both superpowers, to a point where we can safely assume that we will not be compelled to continue relying exclusively upon a very precarious balance of nuclear terror, when, in fact, we can have reasonable assurance that there will be no Soviet first strike because such a

first strike would be utterly irrational, not just under the theory of the deterrence that underlies the doctrine of assured destruction but rather because we will have added to that very significantly a defense against preemption.

Mr. President, that is not an impossible dream. A first generation system, we are advised by very competent scientific and engineering authority, is a possibility, even a probability, if it is adequately funded and given sufficient resources before the turn of the century. That, coupled with an offensive deterrent, would give us an assurance that we do not now have. Not now—not now, Mr. President, in a nation that has no defenses against ballistic missile attack.

What Ambassador Nitze and Ambassador Cooper were telling us is that we are undercutting their position by the passage of the Levin-Nunn amendment. It is not simply a fencing, as we have so often engaged in as we attach conditions to the production of a particular weapons system. This amendment contains language, it quotes the treaty, but it does not quote all of the treaty; it is selective in that regard and it ignores the fact that the negotiating history and the record of negotiations of the ABM Treaty makes clear that the Soviet position with respect to so-called futuristic ABM systems, those based on "other physical principles" would be governed by the provisions of Agreed Statement D, which is to say that before they could be deployed there would have to be discussion and, presumably, some agreement between the superpowers. But no constraint is placed by Agreed Statement D upon the development and testing of such futuristic systems based on "other physical principles."

So, Mr. President, what we could do by the enactment of the Levin-Nunn amendment, if it were actually to become a domestic law of the United States, is that we would bind ourselves—and understand that this is no sense-of-the-Senate resolution, this is binding upon the United States—we would bind the American people to an interpretation of the ABM Treaty and so constrict our own progress on achieving those defenses that we do not now have that the likelihood is that we would never attain them. And that, perhaps, is, after all, the goal of this provision.

Indeed, some will concede that it is the goal of putting this kind of roadblock in the path of achieving a strategic defense initiative to safeguard the United States from nuclear missile attack.

It is a strange view in my judgment that our safety depends upon our giving absolute guarantees to the Soviet Union of our vulnerability.

Mr. President, this is not something that we can simply dismiss as business as usual because this is a landmark decision. It is the first time that we have actively intruded upon the negotiating process. It very well may be the first time that we have sought to interpret, after the facts, a treaty usurping the responsibility of the President of the United States and competent constitutional authority gives that responsibility to the President, not to the Congress, not to the Senate.

Yes, the Senate has a role. Clearly, we have a role in treaty making. But it is not negotiation. It is ratification and the two are not to be confused.

Yes, clearly, the Senate and for that matter the House of Representatives, which does not have that ratification responsibility of the Senate—both Houses have the responsibility to enact defense authorization statutes and, in so doing, they may condition spending upon a weapons system or even, as in this case, a defensive system. But what this amendment does, Mr. President, that is so different is that it quite clearly, quite expressly, conditions further funding of a particular system upon acceptance of an interpretation of a treaty. It is not the responsibility of Congress nor does Congress have the authority to impose that interpretation upon the administration. That is the difference. This is not like conditioning funding for the MX on the agreement between the administration and the Congress of an acceptable basing mode.

That was and remains a decision about what is the best mechanical means of basing a weapons system. It did not depend upon a treaty. It did not interpret a treaty. It did not reinterpret a treaty. It had nothing to do with the treaty. And neither had any of the other constitutional fencings engaged in by Congress. This is a departure. It would set a dangerous precedent.

But most dangerously, it would impact present negotiations in Geneva. Indeed, it might well be said that if we enact the Levin-Nunn amendment the conference between the House and the Senate might just as well occur in Geneva. We might as well tell the negotiators for both the Soviet Union and the United States to sit and watch while we decided what constraints we will impose upon the United States.

Is this not precisely, Mr. President, what 92 Senators last night cautioned against, against taking the kind of action that amounts to unilateral concessions to the Soviet Union? How far toward their negotiating position should we go? Negotiation, in my understanding of the word, and I have had some experience, involves people sitting across the table from one another and making concessions to gain concessions. It does not exist, Mr. President, when one side begins the negotiation by saying, "Well, this was our position, but here we will go 90 percent of the way toward yours. Now we will negotiate the balance of the 10 percent that remains on the table."

That is what Ambassador Cooper meant when he said enactment of the Levin-Nunn amendment would necessarily narrow the range of negotiation. Narrow it? It would almost close the window so it is barely open a crack. It would not be sufficient that anyone could expect that through it could come any kind of reasonable or meaningful defense initiative, at least not within a timeframe within which it might be necessary.

For those who might be so concerned about achieving a breakthrough on arms control, do they really think that the Soviets have returned to the bargaining table for any reason other than the fact that we were firm in making good our promise that if they did not accept the zero option, we would in fact put missiles, reluctantly, on European soil to match the SS-20's that threaten our NATO allies? Or that they have come back to the table because suddenly, in March 1983, the President of the United States indicated a new resolve to pursue ballistic missile defenses just as the Soviets themselves have been pursuing them for decades, spending more on defense than on offense.

Mr. President, for those interested in arms control, let me put it as simply as possible. This is the greatest lever we have ever had or ever will have within the foreseeable future. If we are interested in the reduction of offensive inventories, if we are interested in reducing ballistic missiles that threaten the United States, it will be because we have enormous leverage with the Soviets perception that the United States has the ability and the resolve to achieve a system of antiballistic missile defenses.

Are we to give that away? Are we to give away the leverage that has brought about a return to the negotiating table of the same Soviets who stalked off vowing not to return, who have now returned, having dropped all their preconditions? Are we to now make this incredible unilateral concession to the Soviet Union?

I would not want that on my conscience.

Mr. President, I will confess that, to an extent, we may have all been engaged in an academic exercise here because it is no secret that the President of the United States has made clear that should a defense authorization bill reach his desk with the Levin-Nunn amendment in it, let no one be in any doubt, he will veto it. Let no one be in any doubt that he will be sustained in that veto because there is a letter which I have circulated and on it are 36 signatures of Senators who have pledged to sustain him on that veto.

For those who may not be familiar with this Levin-Nunn amendment and may not understand the passion that it kindles, let me just recite a little recent history.

The rest of this bill, the defense authorization bill, even though it might undergo substantial amendment because it embraces a complex of highly complicated subjects, is essentially a good bill. It would have passed out of the Senate Armed Services Committee with a virtually unanimous, bipartisan vote, as have defense authorization bills every year in the time that I have been in the Senate.

But this year, for the first time, we had that kind of bipartisan agreement right up to the last moment and then at the last moment there was added to this legislation the Levin-Nunn amendment and that immediately transformed that bipartisan support for this bill into an almost straight party line division.

The Republicans, who for years have, been accused by our brothers on the other side of the aisle as being almost jingoistic in our passion for a strong defense, were the ones who voted against this measure. My Democratic colleagues, many of whom have confessed to me some sensitivity about how their party is being perceived on defense, were the ones who sent this bill to the floor with this amendment in it.

What is more important, Mr. President, is that the reason for this division is the seriousness with which we must regard the Levin-Nunn amendment. It is quite different from anything that we have seen before, except, Mr. President, for the same kind of nonsense that was present in the House Armed Services version of the 1987 defense authorization bill.

There was a similar provision that related to a demand, a mandate, that the administration accept the numeric sublimits of the SALT II Treaty, unratified though it may be by the U.S. Senate, and, therefore, not binding upon the United States.

The House Armed Services Committee took it upon themselves to demand that the President of the United States accept the SALT II Treaty. That created a very similar impasse. When we went to conference, the Senate refused to accept that outrageous provision in the House bill, and the conference very nearly foundered on that point. We almost had no defense authorization bill last year.

Mr. President, it is a shame that we did not have it out right then and there. But, instead, the Members of the House finally decided that they had better withdraw that amendment because they did not wish to be accused of undermining the President of the United States on the eve of his meeting with General Secretary Gorbachev in Reykjavik. They did not wish to be perceived as being those who had undercut the ground from the President of the United States in what might be a crucial arms control negotiation.

Well, however belated, that was a responsible view, and the same responsible view would impel reasonable and responsible Members of the Senate on this day to recognize in this the same mischief—and to call it mischief is to understate it—the same peril, Mr. President, that was present except that this is so far more dangerous because what we are talking about is a defensive system so far more important to the United States that it almost defies comparison.

Why is it that those who finally came to their senses and understood that they should not undermine the American President on his way to arms control negotiations with the Soviet Union a year ago now are perfectly willing to undermine the same President of the United States dealing through his delegated negotiators in Geneva when they are engaged in crucial arms control negotiations with the Soviet Union? Why is that? There is no consistency there. There is no explanation.

Mr. President, it does not make sense, but it is not simply a foible of the Congress like so many others that the public can afford to ignore, to shrug off. It is a perilous, tragic error. It is, in the words of the Byrd-Nunn amendment of last night, the kind of unilateral concession to the Soviet Union against which we all voted last night.

Now, Mr. President, if the Members of the Senate are willing to usurp the function of the President, which the Constitution assigns exclusively to him, the responsibility for the negotiation of treaties, then perhaps they are willing to arrogate to themselves further power, and that is the control of those negotiations. We are not all going to crowd into the room with the Soviet negotiators, but instead we will simply set the parameters for what the discussion will be. We will narrow the range, as Ambassador Cooper has put it, and that will effectively control what occurs.

There are any number of arguments that could be made in favor of this motion to strike. The ranking member of the Foreign Relations Committee has protested the presence of this amendment on the defense authorization bill, saying that if it should appear anywhere it should be on a Foreign Relations Committee bill. He is right. This committee really has no jurisdiction over matters dealing with treaties, and that fact cannot be disguised or papered over by saying this is a customary fencing arrangement in which the Armed Services customarily engage. That is not true. This is expressly a conditioning of further spending for the defenses of the United States upon the acceptance of a particular interpretation of a treaty, a treaty which constitutionally says the President of the United States shall interpret. But evidently, this body, which later this morning is going to celebrate the bicentennial of our Constitution, does not have time for such nice distinctions.

I will tell you what we did last night, Mr. President. We put ourselves above the Constitution. We said to those who were wise enough, so that we are celebrating their wisdom 200 years later, to craft a Constitution based upon a separation of powers, we have decided that in our wisdom we can ignore that long tradition, that wise and honored tradition of the separation of powers and we will arrogate to the Senate of the United States and even to the House, and in fact to a majority of those present and voting in the House, the responsibility which the Constitution gives to the President of the United States and not to the Senate, not to the House, nor to both Houses combined.

If that does not persuade people, Mr. President, then I do not suppose the idea that this will cost several years and several billion dollars in delay and added costs on a strategic defense initiative program will matter much to them either. Perhaps it should not. Because what they will do by adding this constraint and making this unilateral concession is to so constrain the program that it cannot achieve what technologically it is capable of achieving, which is to say the safeguarding of the United States from ballistic missile attack, from attack by those missiles that can leave the Soviet Union and once launched be beyond man's ability to recover and land 26 minutes later in the United States, touching off what we all have feared, the horror of nuclear holocaust.

Mr. President, this is so much more than mischief that really it is difficult to find words adequate to describe how ill-advised, how arrogant, how unwise it will be if we are in fact guilty of enacting the Levin-Nunn amendment. There will be people who follow me on the floor who will tell you, "Well, listen, it could be a lot worse. It could be as arrogant as the House version." Yes, it could. It will not make a great deal of difference. Style is not the issue here. Substance is the issue. And observance of the Constitution of the United States.

There are probably many who are listening who think, "Oh, come on. All of this talk about the Constitution, what does it really mean."

Well, what it really means, very simply Mr. President, even to those who might take the Constitution lightly, not be very much concerned with things like separation of powers, is

that by putting ourselves in the business of being the negotiators, or at least by setting the parameters for negotiation, we have not only arrogated to ourselves the power that the Constitution assigns to the executive, but substantively we will have so constrained the Strategic Defense Initiative Program that it will never be able to produce the set of defenses, even a first generation system of defenses, that hold infinite promise for safeguarding our children and their children. That system in combination with some offensive deterrent, even one as minimal as we presently possess, offers real promise that there will never be a Soviet first strike, and therefore never be a nuclear holocaust, never be the kind of mutually suicidal nuclear exchange about which so many books and articles and movies have been produced.

(Mr. ADAMS assumed the chair.)

Mr. WILSON. Mr. President, it is not often that the men and women of this Senate, who are I think uniformly of good will, are so moved that they will undertake the kind of action that the members of the Senate Armed Services Committee did when they converted what was bipartisan support for an otherwise good bill into a virtually straight party line division. Not quite party line. There was one Republican vote. There is a reason for that departure from history. It is because of the seriousness of this matter, and it is for that reason the President has said he will veto this legislation, as important as the defense authorization bill is. We will hear much—we have heard much already, yesterday and last night—about the need for the ships and planes and tanks, and about the need for the pay raise.

Well, no one on this side of the aisle quarrels with that. To the contrary, I think that we have been at least as assertive as our brethren on the other side of the aisle. Certainly we are so characterized by the popular media and we do not shrink from that characterization.

We are for a strong defense. We are for it now. We would have voted for this bill months and months ago if this amendment, the Levin-Nunn amendment, had not been contained in it.

There is no question about that. There cannot be any reasonable question about it. We have made that offer repeatedly months ago and virtually at every point in the interval at which the majority has sought to bring this measure to the floor.

This is an unaccustomed role for the Republicans. Those of us who believe in a strong defense do not like the idea of delaying the defense authorization bill. We like even less the necessity for a President, this President in particular, having to veto this bill because it contains so pernicious an amendment as to taint the entire bill. That is a remarkable step for a President to have to take. I am not sure there is any precedent for that. But this President, who if he had stood for anything, has stood for rebuilding America's credibility by rebuilding her defenses neglected through the years that preceded his administration, is now suddenly placed in the position by the majority in both Houses where they seek to bring to his desk and ram down his throat a defense authorization bill that contains an amendment that he cannot and should not swallow.

Mr. President, he will not swallow it. He will veto it and we will sustain. But I do not think he should be put to that particular test. Candidly I am a little tired of the kind of politics that continually seeks to play partisan games and put on the President's desk a bill that he must veto. That is not serving the interests of the American people.

However much we may deplore the partisan gamesmanship in the domestic arena, at the very least I would hope that when we are talking about something as important as the survival of the American people and threats to their survival from ballistic missile attack, we would have the same good judgment that the American people do. They are sick to death of this kind of partisanship. They think that it ought to end at the water's edge, that we ought to have a unified defense and foreign policy, the kind that we had when an Arthur Vandenberg worked with a Harry Truman to save Greece and Turkey from becoming Communist, when a Democratic President pleaded with a Republican Senate to support him in taking the measures necessary to prevent a Communist takeover of Greece and Turkey in the years immediately following World War II.

It would be a very fine thing, Mr. President, if we saw a return to that. And there are Members on both sides of the aisle who are hungry for a return to that time and that temper. We cannot return to that time. But we certainly can return to that temper.

I heard a very fine speech by my friend and colleague, the Senator from Oklahoma [Mr. BOREN], when he received an award this year from the Washington Times, and it contained a very plaintive theme; and, that was, simply stated that the business of the United States in the area of foreign policy is simply too important and of such overriding importance to give way to the petty concerns of partisanship.

Mr. President, I am not holier than thou. I have been partisan. I will be again. It is part of our two-party system, hopefully a competition that benefits the public. But there is, I hope, in the perception of most men and women a reasonable limit to the kind of partisanship that we should engage in. I think this provision clearly exceeds it. If I am intruding upon honest conviction by my brethren, I will apologize for that. But I must say that I have to ask again if they had the wisdom to withdraw this kind of a provision last year when the President was going to Reykjavik, what makes this different? It is different. This is vastly more important. But the principle is the same. The principle is do not undercut the negotiations of the United States when they are negotiating with a skilled and determined adversary as the Soviet Union is in a matter as crucial as that having to do with arms control.

Mr. President, let me touch a few other bases here because there have been a number of questions raised by colleagues not on the Armed Services Committee who have not been party to the debate either in committee nor heretofore the debate on the floor.

They have asked a number of questions. One of these: Is the Levin-Nunn amendment even Constitutional? It is not, because, unlike other fencing arrangements, it expressly conditions further spending upon an interpretation of the treaty, the ABM Treaty and treaty interpretation is not a role given by the Constitution to the Senate of the United States or to the Congress of the United States.

My colleagues have asked, "Cannot the Senate interpret the treaties?" There is a very limited role given to the Senate even interpreting treaties that they have once ratified. Constitutional law says that it is the role of the President to interpret treaties. I can assure you that will not always make me happy. It has not in the past. It will not in the future. But it is the fact. It has to do with the thing we call separation of powers.

Colleagues have asked, "Does the Levin-Nunn amendment actually interpret the treaty; is it guilty of an unconstitutional overreaching?" And the answer to that, my friends, is yes.

Again, this is not a matter of style. It is a matter of substance and the language of the amendment expressly conditions further funding of the SDI Program upon acceptence by the administration of the narrow interpretation of the ABM Treaty when the President and his administration have announced that we are fully entitled to adopt the broad interpretation, one that does permit development and testing.

I have been asked, "Well, does it in fact afford the House of Representatives a unilateral one-House vote, a unicameral veto?" Yes, it does because in order to undo the constraint that is placed upon further spending, a joint resolution would have to be adopted and that can be frustrated by a majority of those present and voting in the House of Representatives, that House

to which the Constitution has given no foreign policy role similar to that conferred upon the Senate. And, of course, the Constitution gives to neither House the role of negotiation.

But the answer is, yes, it permits a majority of those present and voting in the House to defeat the kind of joint resolution that would be necessary to remove the block to further spending for the Strategic Defense Initiative.

Now the argument will be made, and the question has been asked me by colleagues, "Well, but is it not true that without the Levin-Nunn amendment, we would be handing the President a blank check giving him $4.5 billion to spend as he chooses?" Well, that goes back to the difference between the fence upon the MX, for example, and this purported fence which is nothing less than an ill-disguised usurpation of the Presidential authority because it conditions the action upon an interpretation of a treaty.

It is not giving a blank check. It is saying that we can go forward with the Strategic Defense Initiative in concert with an interpretation to which the Soviet Union evidently gave credence as late as March 1985. We have every reason to believe that they have conducted their own research policy with a view toward achieving a capability for development and testing, if they have not in fact engaged in some.

My colleagues, who have had the opportunity to go into the secure room, S-407, and avail themselves of the negotiating record of the ABM Treaty, have in most cases chosen not to do so, but they have at least asked. "Isn't the treaty itself ambiguous?" Parts of it are; parts of it are not, which means that, on the whole, on the face of it, the context of the treaty is ambiguous. It gives rise to different interpretations. The more reasonable interpretation of Agreed Statement D, just on the face of it, is that those systems that are devised in future on other physical principles will be governed by the provisions of Agreed Statement D, rather than the articles of the treaty itself. What Agreed Statement D provides is that if in future some clever fellow devises a system based on other principles than those in effect when the treaty was signed or those defined in the other articles of the treaty, any future deployment—not the development and testing, but the deployment—of that kind of system would depend upon consultation and agreement between the superpowers.

However, the fact of the matter is that the negotiating record of this treaty makes quite clear, and Judge Sofaer's analysis of it makes quite clear, as does Ambassador Nitze's analysis of it—and he was a participant in the 1972 negotiations that led to the ABM Treaty—that the proper interpretation is the broad interpretation.

Mr. President, does it make sense to spend billions of dollars engaged in pure research knowing that we will never use the research to develop and test the system that we are researching? Academic research is a splendid thing. The pursuit of truth is a splendid thing. But if we do not intend to develop and test this system, does it make sense to spend billions on it?

We will be told by those who were pushing the Levin-Nunn amendment that all this amendment does is say not that the President cannot go to the broad interpretation but that if he is going to spend any money going to it, he first has to get the consent of Congress, which is another way of saying that if the President is going to be able to spend money on it as he and the Joint Chiefs of Staff have requested, they will have to acquiesce to a mechanism whereby a majority of those present and voting in the House can deny them the right to go forward and implement the Strategic Defense Initiative under the broad interpretation.

That is what this is all about, and let us not try to delude anyone. This has been carefully fashioned to give an absolute veto of the broad interpretation to those who wish to exercise that veto, and they can be a very small number in the House of Representatives, and that is a mistake of tragic dimensions.

Mr. President, we will also be told that the Strategic Defense Initiative office, itself, has said that their present program is one that does not require the broad interpretation, that they can operate within the constraints of the narrow interpretation. All that statement means is that because they have been so constrained, they have, in response, designed their program to fit the constraints. It is a self-fulfilling prophecy.

However, what this document, entitled "A Report to Congress on the Antiballistic Missile Treaty," states very clearly is that it will cost us years of delay and billions of dollars in added costs if we are so artificially constrained—constrained not by technology but by imposing upon ourselves a unilateral concession that makes no sense.

This report, I remind my colleagues, is one that we requested. It says: "A Report to Congress on the Antiballistic Missile Treaty, as requested by section 217 of the fiscal year 1987 authorization act." We ask for advice, we get it, and we ignore it at our peril; because we are so wise that on the day that we celebrate the bicentennial of our Constitution, we celebrate it by trashing the separation of powers doctrine and by engaging in an unconstitutional act, as we intrude upon a function of the U.S. President, assigned to him exclusively by the Constitution, and that is the responsibility for the negotiation of treaties with foreign powers.

Mr. President, strange as it may seem, we have only scratched the surface here. There is much more to be said. But I would think that members of the public would probably conclude that quite enough has been said. Between what was said yesterday and what has been said today, I hope it is clear that what we have done has been not only to violate the Constitution, if we enact this Levin-Nunn amendment, but also, immediately after 92 Senators voted last night for an amendment by the majority leader which cautions us against Congress or the President taking actions which are unilateral concessions to the Soviet Union, that is precisely what we will have done.

Mr. President, I do not want that on my conscience; but, much more to the point, I do not want the United States to be placed in the position where we are artificially constrained, not by technology but by an interpretation for which there is much, much doubt. I will only tell you that the Soviets will not be so constrained.

Mr. President, we live in a world where, whether we like it or not, there are two superpowers. If those who believe that the superpowers have avoided nuclear conflict by a doctrine of mutually assured destruction—genuinely believe that—if they believe in the mutuality and reciprocity which is expressly stated as the goal, the principle endorsed by the Byrd-Nunn amendment of last night, then it is a contradiction in terms to say that we support the principle of mutuality and reciprocity, caution against unilateral concessions, and then engage in precisely the most glaring unilateral concession in the history of arms control. That is what this is about, Mr. President. That is why the Republicans on the Armed Services Committee, who were prepared to vote enthusiastically for this otherwise good bill, voted against it. It is why we will vote against it if this amendment is entered on the floor. It is why the President will veto it, and why it will be sustained.

Mr. President, I inquire of my colleague from Texas, if I can gain his attention, as to whether he is ready to take the floor. I am advised that he wishes to be heard on this matter.

Mr. WARNER. Mr. President, if the Senator will yield, I advise Senators who are following this matter that there are several Members on our side who are prepared to come forward. I have so advised the distinguished chairman of the Armed Services Committee. We are here to accommodate as many Senators as wish to speak this morning on this side of the aisle. We have a roster of those who are willing to come forward.

Seeing no Senator seeking recognition, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAMM. Mr. President, we have had a great deal of debate. I personally found it beneficial as we tried to focus on this issue. I would like to just touch on a few things that I think are important to the debate, and that I hope individual Members will look at, as we deal with this issue, which has become to some degree sort of charged with partisanship. I think these issues are critical, as we make what I believe is going to be a very fundamental decision that is going to affect not only whether we adopt a defense authorization bill this year or not, but how we are going to deal with the Soviet Union in the future, and that will have an impact on the overall relationship between the President and the Congress in terms of the conduct of American foreign policy.

I am opposed to the Nunn-Levin amendment for a lot of reasons. I am opposed, first of all, because this is a unilateral action. It never ceases to amaze me as we debate all of these issues in Congress, and I would note to our colleagues, that this is not the first time that we have had a debate concerning arms control and disarmament related to the armed services authorization bill. This debate has been going on for a couple of years as those of us who served on the conference committee and tried to work out our differences with the House are aware. Every time we go to conference we have these provisions, at least in the last 2 years, that have been adopted by the House that try to impose on the U.S. Government restrictions in some cases related to SALT II, a treaty that was never ratified, that the Soviets never abided by, and that has expired. We have had the broad versus narrow interpretation of the ABM Treaty as part of this ongoing debate. We have it here at a very critical time.

But the fact is that there has been a continuing confusion in the House as to what the jurisdiction of the Armed Services Committee is. It is not the duty of the Armed Services Committee to tame the Russian bear. There are other committees that have jurisdiction. We are an armament committee. Our goal is to keep the bear back from the gate.

So I would argue, first, that this is not an item which really belongs in this debate. It is an item that belongs somewhere else, I would argue not now, not in the Congress, but clearly not here.

But what has been missed for the whole 3 years that we have debated foreign policy and arms control and disarmament on the armed services authorization bill is, that actions taken in this great body and across the way in the House of Representatives do not bind the Soviet Union.

If we undertake an interpretation of a treaty here, we are doing so on a unilateral basis. What we might impose in the way of restrictions on the President, what we might write into the law in terms of restrictions on the Pentagon in expenditures for SDI, in no way will bind the Soviet Union.

So, first, I object because this is unilateral action.

Now, we have heard a great deal of debate, and I came today prepared to read all kinds of statements that were made in the midst of the ABM Treaty and in the wake of the negotiations in the Senate before, during, and after Senate ratification, and I could read extensively quotes from Mel Laird, quotes from Admiral Moorer, the Chairman of the JCS, quotes from Secretary Rogers, and the list goes on and on.

And I could by selecting from the record of public and private statements, if we could submit on the public record here, the negotiating records which are secret, I believe I could make an ironclad case for the broad interpretation of the ABM Treaty.

But I do not deny the fact that someone equally diligent could make a case for the narrow interpretation.

As I read the record, which is available upstairs, which is secret, the negotiating record, it is clear to me that while we sought a narrow interpretation of an ABM Treaty, the Soviet Union wanted no part of the narrow interpretation. That is why we had the provision related to new and exotic types of weapons systems, something we tried to prohibit, the Soviets refused, and here today because we are blessed with a free enterprise system and individual freedom that has unleashed the creativity of our people we now have had very important technological breakthroughs related to national defense and to defense against intercontinental ballistic missiles in particular that have now become very relevant to the arms control debate and to the defense debate.

Now we are in a position where we are approaching the types of new systems that the Soviets refused to limit under the ABM Treaty.

But there is no doubt about the fact that by picking and choosing, in looking at the negotiating records, in looking at public statements, in deciding to look at one section of the treaty and not the other, someone could make the case for the narrow interpretation.

I submit, Mr. President, that we are not going to settle this issue here. This is an issue that is ultimately going to be settled, I would guess, when the Soviets have gone so far into the broad interpretation that no one thinks it is a relevant debate. It just so happens that while the Soviets have huge leads in conventional forces and in other areas, in the area of high technology and SDI, we have a clear advantage. That is our cutting edge in terms of providing security for ourselves and for the free world. Because of that, this debate is relevant here today.

(Mr. SHELBY assumed the chair).

Mr. GRAMM. Now, one other thing that I object to about the Nunn-Levin amendment is that it gives a degree of control to an individual House of Congress, to in essence impose its interpretation of a treaty. This is not your normal appropriations provision whereby we say you can spend the money within these specified constraints. This is not a normal authorization for an appropriation where we say you will spend money in this broad category on these particular items.

This is a provision that says that if the President decides to move in the direction of an interpretation of a treaty he does not have to move in that direction; he simply has to begin to make plans on the basis of that interpretation, and I remind my colleagues we are not talking about a prohibition against testing. We are not talking about a prohibition against moving SDI outside the laboratory. We are talking about a prohibition of planning to move in that direction.

It is almost that you are taking a broad interpretation if you think about it. If there is anybody in the Pentagon doing planning on the broad interpretation, then Congress wants to have a right to vote on whether to release the funds or not.

Now, one of the problems is—and it has always been a problem with regard to public opinion and misunderstanding—I would hope with all the people we have got in the Pentagon that there are people over there today who are working on every possible scenario.

We are all amazed when we read in the Sunday paper, when there is no real news and they have to dig up something, that there is some guy deep down in a hole somewhere in the Pentagon planning for what a chemical war would be like. And we see a big headline, "Pentagon Plans Chemical Conflict."

Well, I hope to God that there is somebody in the Pentagon who is looking at what such a terrible conflict would be like, because the Soviets have chemical weapons. We do not have enough to carry on any kind of conflict, but they do. And surely there has got to be somebody over in the Pentagon making plans on that basis.

Well, surely, since the Soviets any day could take action related to a broad or narrow interpretation of the ABM Treaty—in fact, the Soviets have made it clear from the beginning that they have always taken the broad interpretation, except now when it is to their advantage to impose their inter-

pretation on us—surely we have got to have people working in SDI who are looking at the expenditure patterns and research related to the broad interpretation. In fact, if that is not going on today, we are making a tragic mistake.

But the Nunn-Levin amendment says if you are undertaking activities as a requisite for moving to the broad interpretation, even if you are not doing it during the year that this authorization bill will be in effect, if you are just planning it, if you are just looking at it in an outyear. And what constitutes looking at it? If you have got a team working on SDI and you have got a team that is working on the basis of a Soviet breakout. And I hope my colleagues will look at this problem. We know the Soviets are spending money on nuclear missile defense. In the history of the nuclear era, they have spent ten times as much money on nuclear defense as we have. We know they are spending money on SDI and probably more than we are even on the narrowly-defined SDI project, substantially more than we are on any kind of broadly-defined definition of strategic defense.

But one might argue under the Nunn-Levin amendment that if we have got people who are working to be prepared for a Soviet breakout and therefore that are working on a schedule of testing and even deployment in the event that suddenly we woke up tomorrow morning and discovered that the Soviets had made a technological breakthrough in laser technology or guidance technology or computer software and that they are moving toward a partial or total deployment, surely we have people in SDI who are looking at that possibility who would immediately be able to put a plan before the Congress, before the Pentagon that would accelerate our program. In fact, I would think that every person who is supporting the Nunn-Levin amendment would support such contingency.

But as I read the Nunn-Levin amendment it is not clear to me that that kind of planning, that those kinds of preparations would not by some interpretation mean that we are taking action and spending money related to the broad interpretation of the treaty.

Now, I ask my colleagues, if suddenly in the morning we woke up and discovered that the Soviets were beginning to deploy an SDI system, do we all of a sudden want to have in law a provision that prohibits even the planning for a breakout moving toward the broad interpretation? But that is not really the relevant question. People would argue, "Well, at that point we will vote to break out." But if we do not have plans, if we had not looked at that option, if we do not have contingency plans, we are going to be starting from scratch. This is part of the nonsense of this whole amendment. It says do not test SDI. Even though the Soviets have spent 10 times as much on nuclear defense as we have since World War II, we do not want you testing it. It might be provocative. Even though they are spending more money on it than we are, because we have technological advantages, we do not want it tested.

Now, you can view that as nonsense or tomfoolery or wisdom depending on your perspective. To me it is pretty clear, but to others obviously it is not, or my view is not clear to them.

But to take the position that we do not even want anybody looking at the potential of a breakout and therefore testing and deployment, that we do not want work being done that would pave the way for a broad interpretation of the treaty with testing or deployment, that is not in my opinion prudent public policy.

And what has happened here, in the desire to limit the flexibility of the President with regard to SDI, we are writing into law a nonsensical position that if carried to its logical extreme would say "Don't even plan for testing or deployment no matter what may happen at any moment in time."

That is what happens when you get into these situations where you do not want to vote on an issue but you do not want a decision made. And I guess one of my complaints here is that in foreign policy we in Congress are masters at telling the White House to not make a decision.

I remember on the reflagging incidents—and I have to admit I have shared concerns about reflagging in the Persian Gulf—the proposal was not to not do it, the proposal was to delay it. With 535 Members of Congress, none of whom have to take direct responsibility, we are masters at saying to Presidents who do have to take the responsibility: "Don't make the decision. Now we do not want to make the decision. We do not want to be answerable if the decision fails, but we don't want you to make the decision."

We are standing on the sidelines. We are throwing rocks. We are putting up roadblocks. But we do not want to share any responsibility.

This amendment is the result of that kind of mentality, because we are not voting here on language that says, "Don't do something." We are voting here on language that says if you decide to do something, then Congress wants to come back with what in essence is a one-House veto and we would have to approve it at that point. And what we are saying you cannot do is so poorly defined that what we are potentially precluding here is the actual ongoing work that should be done today about eventual testing and eventual deployment.

Can you imagine spending $4.5 billion of the taxpayers' money on a Strategic Defense Initiative and saying, "Oh, by the way, out of $4.5 billion, we don't want anybody to be thinking about how we test it. Out of $4.5 billiion we don't want anybody doing any planning about how you deploy it."

No. 1, that does not make sense, technically. If fact, until you have done some plans for testing, how do you design it? Until you have done plans for deployment, how do you test it? How do you design it?

What we are imposing here is a nonsensical position that says, "Go out and spend all of this money on pure research, but don't be looking at any kind of practical testing or implementation because we don't want you to do that. And if you decide to do it, if anybody is even going to think about doing it in its extreme form, we want to be able to vote on it."

Well, I think everybody knows that that does not make any sense. Science does not work that way. You can imagine trying to design an automobile where you said to people: Now, you can do all the designing you want to and we are designing—we at least expect some day we might build this car—but we do not want you to go out and test any of it; we do not want you to be planning to test any of it. We just want you to be designing it. That is imposing limitations that squander the taxpayers' money. It is not smart.

If we are not going to have SDI, then let us do not fund it. But if we are going to fund it, let us not shackle it to such an extent that we do not get our money's worth.

My view on this thing is clear. The Soviets are going to build an SDI system. They are going to build it as soon as they can get technology in place to do it. We have got several options.

We can wait around until they do it and then decide at that point that we are going to get serious. I do not think that is wise policy, in part because they have got such superiority in conventional weapons and in throw weight on nuclear weapons, that we need that technological cutting edge of SDI to maintain the balance of power to keep the peace.

Second, that kind of approach, of waiting until the Soviets do it, not only did not make sense because of the imbalance in other areas but it did not make sense because they may have a breakthrough, gain an advantage, and then what would our situation be?

There are those near and those around the country who argue: It would not be good for the United States to be able to defend itself against Soviet intercontinental ballistic missiles; that that would be destabilizing; that that would represent a

provocation that would make this bear angry and God knows what he would do if he were angry.

The problem with that logic is the bear is already angry. The Soviets are trying to build this system. Their problem is, however, that they do not have the technology to do it.

If we wait around until they develop the technology to do it, we are going to lose our comparative advantage and, in the process, we are going to pay billions of dollars and incur risks to the life and freedom of every person who lives on this Earth.

So, clearly, I believe that we ought to get on with the job and build SDI. There are those who say we should not. But I guess my frustration here is we are not debating the issue, again. We are debating the debate. We are debating language that says you could do research but you cannot even do any effective planning to test and deploy it. That makes no sense. That is the kind of hobbling that guarantees that our runner will not win the race. It is inefficiency. It is a waste of the taxpayers' money at the very time that not only is Ivan at the gate, but the wolf is at the door.

I do not know whether Members of the Senate are aware of the fact that we are working—in fact I just came from a conference, trying to deal with this wolf at the door, trying to revitalize the Gramm-Rudman-Hollings balanced budget law.

We all know that we are looking at a budget which has been adopted by this Congress that takes us back to the level of defense spending as a percentage of GNP that we had when Jimmy Carter was President and we all remember that unhappy era. We all remember the bipartisan support that strengthened defense but at the same time we are moving back to that direction. We are saying, let us hobble our most important and innovative defense program, SDI. It does not make sense economically, it does not make any sense militarily.

But there is another problem altogether. Even if everything that I have said were not true, this is still a bad idea. Even if this was not a nonsensical position, to say we do not want people planning for testing and deployment and if you go and do that we have got to come back and get a separate congressional approval on whether to go to the broad interpretation or not—not doing it, but just planning it. Even if hobbling defense expenditures at a time when we are broke made any sense, there is still an overwhelming reason why the Nunn-Levin amendment ought to be rejected. It ought to be rejected because it gives the Soviets, through action in the United States Senate, those things that they cannot win at the bargaining table in Geneva.

Can you imagine what a difficult position we put our negotiators in when we are trying to write into law the demands of the Soviet Union at the bargaining table? What kind of cooperation between the legislative and executive branches of Government is that? Sure the Soviets must be mystified as how nonsensical this whole process is.

I do not think there is anybody here that would argue that the Soviets have come back to the bargaining table because suddenly their longing for peace and tranquility on this Earth has been rekindled. In fact, the Soviets said they would never come back to the bargaining table unless we stopped SDI. Everybody remembers that. They were pounding on the table and they walked out and they said they would not come back.

But guess what? They came back to the bargaining table.

Why did they come back? They came because of SDI, and they came back because of what we have done since 1981 in modernizing our conventional and strategic forces. They came back because it was in their interest to come back, and the Soviet Union is motivated by only one set of interests and that is Soviet interests. We continually forget that, to our great peril.

The Soviets came back to the bargaining table because they fear SDI.

As the distinguished Senator from South Carolina, STROM THURMOND, said when he came back from his meeting with Gorbachev: You know, the one thing I came away from that meeting absolutely convinced about is that SDI scares that man to death. In fact, the Soviets have done for SDI what Ronald Reagan, the Great Communicator, could not do. They are so adamant against SDI that they have about convinced the American people that if they are so much against it, that despite all these "experts" who say it could never have worked, it is a silly idea, it is a waste of money, it is a boondoggle—if the Soviets are so convinced that it represents peril to them, there must be something good about it.

You do not need a Ph.D. in nuclear physics or in aeronautical engineering to know that if the Soviets continually desperately want us not to invest in SDI, they probably are not trying to promote efficiency in our defense budget. They are probably not trying to keep us from going down a technological dead end.

They are fearful of what we will be capable of doing in defending ourselves. The plain truth is, and everybody knows it, the Russians are back at the bargaining table because of SDI. That is why they are back.

They are back because they fear American technology; because, by having a repressive government that denies human freedom they cannot unleash that spark of creativity that has done more than anything else in the postwar period to preserve our freedom and to keep the peace.

We do not have peace today because we are more dedicated to spending money on defense than the Soviets. The truth is, totalitarian societies have an advantage in defense because they can force their people to spend the money. Defense has declined as a percentage of GNP and as a percentage of the budget almost by 50 percent since John Kennedy was President, because democracies and the political constituencies that are built around programs, tend to rob defense to give money to constituencies who then vote for those who give them the money.

What has maintained the edge that has kept the peace is technology. The Soviets cannot match it because creativity comes from freedom. And they cannot give that without having their system destroyed internally, and that is their dilemma.

What we are doing here is taking away the one advantage that we really have. The Soviets are back at the bargaining table because they fear SDI; because they fear American technology.

Now, what does this amendment say to the Soviets? The Soviets reading this RECORD—and it must be terribly boring through most of the long debates—but when they get down to the Nunn-Levin amendment, it must produce some, "Look, Comrade," response. And they say: What the Congress is saying to the American President is we are not sure we are serious about this SDI business. You can do all the testing you want to. You can test, you can theorize, you can use test tubes, you can work within a laboratory. But do not even think about testing on any kind of operational basis. Do not even do any planning about deployment. And, if you think about doing one of those things, you have got to notify Congress and then both Houses of Congress have to vote to say it is OK.

Either House of Congress can say, no, we are not going to let you do anything with this SDI research. You can do all the pure research you want to, but either House of Congress, by this amendment, is reserving a privilege on a one-House veto basis, of saying: No, we do not want to do anything practical. Spend the money, but do not let it be directed toward the actual defense of America.

What does that say to the Soviets? That says to the Soviets: Here we are, speaking now on behalf of these Soviets—something I am not qualified to do—but here they are, spending all this energy trying to negotiate treaties that in some cases represent giving up advantages to themselves to try to have an impact on SDI, and Congress is doing, through votes, what the Rus-

sians are negotiating to get the United States Government to do.

I do not know most people in the Senate feel about bargaining, but I feel that if a fellow is likely to give me what I want without me having to give him anything if I will just wait long enough, I am not going to be in any hurry to try to cut a deal with the fellow.

I have not dealt much with the U.S. Congress in any kind of representation of foreign powers, so, quite frankly, I have never had any dealings with anybody who was that dumb. But if I ever did, and I figured if I just waited they were going to do what I wanted them to do, why should I negotiate dismantling nuclear missiles? Why should I negotiate the START talks? Why should I negotiate losing something that I have an advantage on when Congress is going to make the President do what I am negotiating with him to try to get him to do?

Even if everything I have said here is nonsense, and I do not believe that it is, but even if it were, the reason that we ought to defeat this Nunn-Levin amendment is that it gives the Russians, through action in Congress, what they cannot get at the bargaining table.

Why should we give away our technological edge, limit our ability to look at putting that technology to use, when the Soviets are willing to negotiate on the basis of giving up some of their advantage for what we are in the process in this very room, in this very debate, in giving?

Our negotiators are at the table today, negotiating a treaty in the final phases with regard to nuclear missiles in Europe. The final dotting of the i's and crossing of the t's is occurring even as we speak. The beginnings of a potential movement beyond that to start talks that would reduce the number of nuclear weapons in this world is in its infancy even as we speak. We should defeat the Nunn-Levin amendment if for no other reason than because it undercuts our negotiators in Geneva by giving the Soviets for nothing what they are willing to negotiate for. It is poor policy. It wastes the taxpayers' money. It is nonsense as a policy of defense to invest in something but commit not to do anyting that will allow you to ever use it. It gives unacceptable power to one House of Congress to veto a decision that the President has the right to make in terms of interpreting the treaty. The Supreme Court has ruled over and over again that when in doubt concerning the meaning of an international obligation or treaty, the broad interpretation should always be taken.

But all of those things aside, do we in the Senate want to be giving the Soviets what they cannot win at the bargaining table? I answer that, "No." This is bad policy. We are not going to have a full-scale testing of SDI this year. Let us debate the issue. Let us not hobble this program.

We all know that if you look at these votes, increasingly there is a partisan tone. I believe the President will veto this bill if these restrictions are in it. I will urge him to do that. I will vote to sustain the veto. This issue is not going away. It is going to be back. It is going to be debated. I think it is important that people understand this is bad policy. This undercuts the President. This does not promote the interest of world peace. It does not protect our people. Our people are paying tremendous costs to be protected. Our people are paying very high taxes. The working men and women in this country today are seeing government at all levels take 40 cents out of every dollar of income. I do not believe enough of that money is going to defense, but, for God's sake, when we are going to spend the money on defense, let us not hobble ourselves to guarantee that the money is not well spent.

If the Congress does not want SDI, cut out the funding and spend it on something else. But if we are going to spend the money on SDI, let us not so hobble the process that we cannot get our money's worth. And if we are going to do that, if tomfoolery is so prevalent in the Congress that we cannot resist doing it, let us at least wait until we are away from the bargaining table so that we do not encourage our enemies to think that we are so foolish that if they will wait long enough, we will do everything they desire.

Those are the issues. I hope Members will look at this amendment; that Members will look at it not on a partisan basis; that they will weigh the full issues, and that they will make a choice in the American interest.

While I respect every Member of this body and recognize, as Jefferson said long ago, that good men with the same facts can still disagree, I believe, if you look at all the facts, that we should not be doing this now. I urge my colleagues to vote to strike the Nunn-Levin amendment.

I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I wish to commend the distinguished Senator from Texas, a very valuable member of our committee. Obviously, he has invested a great deal of time in dealing with this issue. We owe him a debt of gratitude for sharing with us today his wisdom.

Mr. President, we have other speakers. However, we do not want to monopolize the floor if there are speakers on the other side. We also recognize the presence of the majority leader on the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. May I first inquire whether the majority leader has any other matter?

Mr. BYRD. I thank the Senator. I do wish to proceed for about 30 seconds.

Mr. DIXON. I yield.

ORDER FOR RECESS FROM 12:30 P.M. UNTIL 2:15 P.M. TODAY

Mr. BYRD. Mr. President, the ceremony recognizing the Bicentennial of the Constitution will occur today on the west side of the Capitol.

I ask unanimous consent, in order to allow Senators to attend that ceremony, that the Senate stand in recess from 12:30 p.m. today to 2 p.m.

Mr. WARNER. Mr. President, I was just thinking, if the ceremony is over at 2, should we allow, say, 10 or 15 minutes for Senators to return to their places?

Mr. BYRD. Very well. I think that is a good idea.

Mr. WARNER. That 15-minute period would be satisfactory, so I would suggest 2:15.

Mr. BYRD. Very well. Let us make it 12:30 to 2:15 p.m.

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

Mr. BYRD. I thank the Senators.

Mr. DIXON. I thank the majority leader.

Mr. President, I will not speak at length. I see my distinguished friend, the senior Senator from Louisiana, is here. Many know that in the last session of the Congress the Senator from Louisiana was a leader in the debate concerning the funding level of the Strategic Defense Initiative, and my recollection is that it was his efforts which ultimately achieved the level of funding that the Senate provided in the DOD authorization bill which went to conference.

So I am sure my colleagues will be interested in hearing the observations of the distinguished senior Senator from Louisiana, who has been a student of this issue and I am sure will make a valuable contribution to the discussion.

May I say, Mr. President, that as a member of the committee I have appreciated the remarks of the ranking member, the Senator from California, the Senator from Texas, and others on the other side who have discussed this question. I am delighted to see my friend and colleague, the distinguished Senator from Alabama, in the chair because he is a valued member of the committee and he remains well informed on this subject matter from the considerable amount of time spent in committee on the issue.

I want to come back once again as one of the managers of this bill to the central theme, which is this, Mr. Presi-

dent. We are not arguing the broad interpretation of the ABM Treaty or the narrow interpretation of the ABM Treaty. We are arguing here Congress' power of the purse over all or any expenditures and, in the context of what we are doing here specifically, the Congress' power of the purse in connection with authorization and appropriation of funds in the interest of our national defense.

The President knows that in this session of the Congress where we have very difficult fiscal constraints, one of the main responsibilities of those of us in the Armed Services Committee and particularly those of us who are chairmen of major subcommittees is to meet our obligations and to reach those reductions that were necessary under the directions given us by the Congress. And my friend from Texas, who spoke so eloquently just a moment ago and has now left the floor, is the father of Gramm-Rudman-Hollings, one of the strongest fiscal constraints that forces us to bring about these kinds of reductions that are called for in the process we are going through right now.

Now, let me read again, so that my colleagues who are not on the floor will understand what we are debating, Mr. President.

This is the bill, S. 1174, Mr. President. Page 3 of the bill. I read lines 10 through 15.

> Funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test antiballistic missile systems or components which are sea-based, air-based, space-based, or mobile land-based.

Now, that is what we are arguing here, and that is nothing more than an exercise of the fundamental power of the purse by the Congress.

May I say further, Mr. President, that the amount of money that you and I voted for in that committee, $4.5 billion, for SDI is substantially more than I suspect the Senate will give us in the end, is substantially more than the House has funded, and is substantially more than the conference will authorize ultimately. And some on our committee—and, incidentally, not necessarily the present occupant of the chair or this Senator—would not have voted for the $4.5 billion but for the fact on page 23 we exercised the power of the purse over how that $4.5 billion would be used.

During the committee's hearings on this bill, Mr. President, General Abrahamson testified that all SDI research projects and all planned major experiments for these 2 years have been designed to fully comply with the traditional interpretation of the treaty.

Now, listen to this. This is a matter of record. In response to a question from the distinguished senior Senator from Alaska [Mr. STEVENS] at a March 19, 1987, Defense Appropriations Subcommittee hearing as to whether he could assure the Congress that the money will be spent in accordance with the President's current decision of the narrow interpretation—now, that is a direct quote of Senator STEVENS—General Abrahamson replied, a direct quote:

> That is the way the budgets were put together and that is the way our plan is presently laid out. The answer is yes, sir.

Now, Mr. President, we took General Abrahamson—at his word, and we said, "Good, we are going to give you $4.5 billion in authorized funds in this committee." That is a lot of money. That is substantially more than last year—I think 22 percent more than last year. Twenty-two percent, Mr. President. Name me any other program in the Congress we are talking about that has been increased 22 percent. Name me one. We said we will give you 22 percent more. Now, I do not think that will hold up on the floor. I am here to confess that. But that is what we did in the committee. Spare parts, ammunition, and other things were shorted so that SDI could get a 22-percent increase. And we said but we are going to put in the Nunn-Levin language, and here it is.

Here is an article in Aviation Week, August 17 of this year, "SDI Programs Face Delays Due To Fiscal 1988 Cutbacks."

We protected most of those delays by this language to which our colleagues now take exception.

But I want to return to the final simplistic theme before I yield my time. This is not a discussion of the broad or narrow interpretation of the treaty. There have been some marvelous speeches made here by some very learned Members on that subject. That is not the issue.

I want to make this argument just to be a devil's advocate, Mr. President. If you conceded the broad interpretation, if you conceded that, this would still be entirely appropriate. We have a right under the broad interpretation to say look, you will not spend any money on these kinds of experiments over the amount that we appropriated this year. We have that right. That is part of the exercise of the power of the purse. I am involved in all kinds of fencing activities in this place.

This Senator is exceedingly proud and thinks one of my main contributions is the time that we fenced the money for the divad gun that could not hit anything until they completed the test and they gave up the gun. If I spend the rest of my life here I may never save $4.5 billion for the taxpayers like I did in one fencing sentence that one time, Mr. President. There is nothing the matter with fencing money.

So I conclude because it will be my pleasure, Mr. President, to yield to my warm friend who has made such an important contribution on this same issue, the distinguished senior Senator from Louisiana, by saying that this is not an exercise in the interpretation of the treaty. The treaty is a law. A lot of different people can interpret that. That is their power to do that in any manner they see fit. I support the interpretation of the Senator from Georgia, my warm friend, the chairman of the committee. But this is an argument over our power over the purse. I call upon the membership on this side which believes in exercising fiscal constraint in a responsible way to exercise that fiscal constraint and to support the committee, Mr. President, in connection with the language on page 23, lines 10 through 15 which says that you cannot do that kind of testing under the $4.5 billion we have authorized. I would hope that we defeat the amendment offered to strike the Nunn-Levin language.

I thank the President and I yield to my colleague from Louisiana.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. McCAIN. Will the Senator yield for one comment to my distinguished friend from Illinois concerning his remarks?

Mr. JOHNSTON. Yes.

Mr. McCAIN. I would like to express my appreciation for some very strong remarks and very cogent argument on the part of my friend from Illinois.

I would like to remind him, however, that at least from the view of this Member, and I believe those on this side, the Levin-Nunn amendment had no connection to the amount of money that this Member voted to authorized for SDI. In fact, the Nunn-Levin amendment came at the very end of the deliberations of the committee, long after we had decided the level of funding to be authorized for SDI. I think that is an important point to be made here. At least Members on this side had made no connection whatsoever. In fact, we hoped the good judgment of the committee would prevail. We would not have such a restrictive limitation placed in the authorization bill which has led us to the impasse we are in here today which has delayed the approval of this authorization bill for now over 5 months and portends, at least to this Member, a much longer delay.

Mr. DIXON. Would my friend yield for this kind of response? I do not want to take the time of my friend from Louisiana. I only want to respond by saying that notwithstanding what the Senator said about that, there were Members on our side who had the greatest reluctance to support the

funding level for SDI in this bill without this kind of language. However, it turned out chronologically the Nunn-Levin amendment and SDI funding were linked together in the final bill. I hesitate to impose upon the time of my friend from Louisiana.

Mr. McCAIN. I appreciate the time of the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana has the time.

Mr. JOHNSTON. Mr. President, first of all, I want to commend the minority part for letting this bill get back on track. I think the plan now is to vote on the various amendments and let the Senate work its will, let the President exercise his veto if that is his will. And I will guess it is, and in any event, to let the Senate go on record on this matter.

I think that is good sense. I think it is good government. I might say it is somewhat inevitable because we could have put ourselves through all of these loops and hoops and delays and ended up on the appropriation bill with the exact same vote. A vote on these matters cannot be avoided because they come finally on the appropriation bills. I can guarantee you that we would vote on the appropriation bills if we did not vote here. So this makes good sense.

I commend the minority party for their wisdom in this matter even if it is wisdom late acquired.

Mr. President, I want to respond to two points which the distinguished Senator from Texas made with respect to SDI and with respect to the Nunn-Levin amendment.

First of all, let me repeat here what I have said before; that is, I am a very strong supporter of the Nunn-Levin amendment. The Senator from Texas said that the Nunn-Levin amendment prevents planning and research on SDI technologies. The very clear fact is, Mr. President, it does not prevent planning and research. Indeed, planning and research is going on right now in a whole host of weapons systems, with beam weapons, with the free electron laser, with the Eximer laser, with the neutral particle beam, with the nuclear shotgun, with the rayogun, with the improved BAMBI Program, that is a rocket space-based kinetic kill vehicle, and with a whole range of weapons. That research and that planning is proceeding. That is not prevented by the Nunn-Levin amendment.

All that is prevented by the Nunn-Levin amendment is testing and development. Testing is the predecessor of development. You cannot develop until you have tests, and both testing and development are prevented by the ABM Treaty. As a matter of fact, those are the terms that are used in the ABM Treaty that are specifically prohibited along with deployment but testing and development are prohibited. The obvious reason that they are prohibited in the Nunn-Levin amendment is that we do not want some member of the executive branch making the decision on this own to break the ABM Treaty, and to get off into a new space race without the Congress even knowing about it.

The reason that this kind of amendment is necessary is because of the broad latitude given by the Appropriations Committee and by this Congress through the appropriations process to the SDI Program.

In effect, what we have done, Mr. President, is given very broad latitude to General Abrahamson and the Office of Strategic Defense Initiative. We have done that for a very good reason. First of all, we are not scientists in the Congress, and we cannot and we should not micromanage that program. We should not divvy out every dollar as we do in other defense programs saying what can be built, what can be tested, and how many dollars for each contract on each research program. Rather, we have given the money in very broad categories.

It is not only within our constitutional power to micromanage, and to give line items for every item to be spent within the SDI budget, but it is usually done with most appropriations programs. But we felt that they ought to be given broad latitude because it is a fast-moving research field where something which in January seems like a good idea by July would not be a good idea. So it is our desire to give very broad latitude and the greatest degree of flexibility to the SDI goal that has made necessary the Nunn amendment. If we did not pass a Nunn amendment, then indeed we could achieve the same purpose by carefully limiting each line item so as not to include any of these tests, and so as to require a reprogramming decision, which in turn would have to be approved by Congress, in order to achieve the purpose of breaking the ABM Treaty.

So, Mr. President, the statement of the Senator from Texas that this prevents planning and research simply does not comport with the facts and the very same language of the Levin-Nunn amendment. All that prevents is development and testing. Those are the words used in the amendment: "No funds may be obligated or expended to develop or test antiballistic missile systems." It is just as clear as anything could be that that is all that is prevented.

Point No. 2 of the statement of my friend from Texas, Mr. GRAMM: He said that the Senator from South Carolina [Mr. THURMOND] talked to Mr. Gorbachev, and he came back and said it is clear that this "scares the bejesus out of Mr. Gorbachev."

The answer is, So what? I might say that it also scares me. The idea of getting off into a multibillion dollar spending program that does not make the country safer scares me a great deal. If you can figure where that money would come from, I can tell you that it would take very large amounts of taxes and would get us off into a new space race.

Mr. President, the idea that what scares the Soviets has to be good for us, and what is bad for them has to be good for us simply does not hold water. It is the kind of mentality which now has produced over 10,000 nuclear weapons on each side, which has seen those nuclear weapons grow by a factor of four since the first SALT treaty was entered into. It is the space race mentality.

The Soviets do not like us to build more nuclear weapons, so therefore we build them. I guess the reverse mentality is that we do not like them to build them, and therefore they build them, and you have these huge stockpiles of weapons that make the world a less safe place and do not give the United States additional security.

So, Mr. President, I think the fact of whether this scares or does not scare the Soviets is irrelevant. The question is, Does it contribute to our security? I think the answer is that a premature deployment of SDI and a breaking of the ABM Treaty would be the very last thing this country should do in terms of its own security, let alone whether the Soviets like or do not like that action.

No. 3, Mr. President, let me speak about the treaties. I had the honor of being one of the observers at the Geneva arms talks. There are really three separate negotiations going on in Geneva. One has to do with the intermediate range nuclear weapons. That is the treaty that is ready to sign, with the exception that the issue of the 72 Pershing 1-A missiles has not been fully worked out, at least as of the last time I have received information. That treaty is thought to be ready to go.

The intermediate range treaty has never depended upon SDI. It has not been driven by SDI. It has not been made possible by SDI. It will not be prevented by a failure to agree on SDI. That was implicitly clear on both the American side and the Soviet side in Geneva. I think it cannot be argued to the contrary, because no agreement in SDI is possible in the next few months, and yet we are going to get an intermediate range treaty.

The Soviets want an intermediate range treaty because the flight time of those missiles, some 10 to 12 minutes to Moscow, would put at risk the leadership of Moscow. The Soviets value their leadership, the safety of their leadership, much greater than the United States does. To put it another way, in a democratic society, elected

members of a society cannot protect themselves—or, should we say, ourselves—greater than the ordinary population.

In a totalitarian system such as the Soviet system, the ruling politburo, the ruling bureaucrats, can and do put their own protection as their first priority. The Pershing I-A missiles threaten that leadership, and that is what has driven the intermediate-range treaty. The START talks—the Strategic Arms Reduction Treaty—does depend on SDI; and I can tell this body, as common sense would dictate, that no START treaty is possible until an SDI agreement is made.

The reason for that is very simple, and it is that if you can stop 25 percent of the ICBM's that are coming into a country, the obvious response for the country which does not have the SDI is to increase their warheads by 25 percent. So the Soviets are not going to be reducing their warheads by 50 percent while we are deploying an SDI. It simply does not make sense, and it will not be done. We can argue about that all we want, but it is very clear that the Soviets are not going to fly in the face of common sense.

Item No. 4, Mr. President, has to do with the question of the narrow versus the broad interpretation of the treaty. The narrow and the broad interpretations of the treaty deal with what we call agreed statement D, which contains certain expectations for weapons or antiballistic missiles based upon other physical principles. The phrase "other physical principles" has come to be described as exotic principles; and to the extent that a technology is thought to be exotic, the broad interpretation of the treaty would say that you can test and develop weapons based upon an exotic technology.

Mr. President, exotic technology in this context is thought by Judge Sofaer and others to mean beam weapons. Those are the laser weapons and the neutral particle beams and the other kinds of beam weapons.

The interesting thing is that those beam weapons are really not ready for testing at this point. The beam weapons are some years away from development to the point of real testing. There might be a small subcomponent test of an underpowered laser that could be done, not as an antiballistic missile but as a discrimination device. But in terms of using the beam weapons as antiballistic missiles, that is many years away, if it can ever be done. Most experts would say that that is probably the late 1990's or after the turn of the century, before that would be ready.

What these tests are about, and what the controversy is about, is what we call space-based kinetic kill vehicles. Space-based kinetic kill vehicles are simply, as some would describe them, smart rocks—that is, a warhead that does not contain an explosive charge but which disables the antiballistic missile by the force of its own kinetic energy; hence, the phrase "space-based kinetic kill vehicle."

There are varied iterations of that. One is a shotgun, which literally shoots bits and pieces of material. Another is a space-based rocket. The space-based rocket, the SBKKV, is really very old technology.

(Mr. GRAHAM assumed the chair.)

In the early 1960's we began a program called BAMBI. I forget what BAMBI stands for but it is one of these acronyms that the Air Force had. But it was more than just a paper study. It was indeed a paper study. I hold in my hand the BAMBI study which has been submitted to us by the Department of Defense, and in this BAMBI study they developed a very thorough, well-though-out system of space-based rockets with heat-seeking guidance systems which would actually collide with the incoming ICBM and that was a program which was thought worthy of deployment by some at that time.

In 1962, actual tests were done with rockets fired from airplanes at incoming ICBM's with again the heat-seeking device, detecting the warhead as it entered the outer atmosphere and colliding physically with the warhead.

I mentioned this, Mr. President, because this is precisely the technology that is thought to be the subject of early deployment by SDI and by others in the administration.

No other technology is ready. That is the architecture that is being discussed. That is what the controversy is all about—space-based kinetic kill vehicles with orbiting rocket pods. It has been testified to before our committee, on the Defense Appropriations Committee. It had been written about in the literature.

So, the question is, Mr. President, is that a system based on other physical principles? Is it exotic technology? Why, Mr. President, the question answers itself. How could it be other physical principles, how could it be exotic technology when it is well thought out, when you have a study of this thickness and this thoroughness and when you had actual tests, actual tests?

Why, Mr. President, it is absurd, it is absolutely absurd to say that that kind of system meets the criteria of agreed statement D as based on other physical principles.

And, indeed, when Ambassador Nitze came before our committee, I showed Ambassador Nitze a letter which he had written in 1977 in which in correspondence to—I forget who his letter was to, but it is in the record. But I asked him, "Do you agree that BAMBI was a space-based KKV, that it was well understood at the time, and that at least as of 1977 you said it was your clear intention that it bar engineering development, it being the treaty, bar engineering development of BAMBI?"

Ambassador Nitze said "That is correct."

"Now, would you tell me, Mr. Nitze, has anything happened since 1977 to change your view of that?"

Ambassador Nitze said, "I still think that is a correct view if you want my opinion."

That was testimony earlier this year before the Defense Appropriations Subcommittee.

The predicate for those questions and in the Defense Appropriations Committee was the fact that he had written a letter in 1977 to Donald G. Brennan—I have the answer now—of the Hudson Institute, that letter being July 8, 1977, in which he had said in that letter and I quote:

> This brings me to the operative questions, what can we properly do under the treaty and what could the Soviets arguably get away with?
>
> It was our clear intention that article V bar engineering development of a BAMBI type ABM system.

So, Mr. President, common sense says you cannot deploy, test or develop a BAMBI-type system. Ambassador Nitze said then, said in 1977, and says now, that it was the clear intention of that treaty to bar a BAMBI-type system, and the question is: Is this space-based KKV a BAMBI-type system and the answer is unquestionably so. It is based upon the same physical principle, a rocket fired from an orbiting pod with a heat-seeking finder and with a kinetic killing device.

In virtually every single principle, it is not only similar, it is identical. As a matter of fact, Mr. President, even the shape of the system is the same. In the Washington Post of April 2, 1987, we supplied from that study the shape of the system and put it next to the present system and it is virtually identical in design.

Mr. President, it is beyond question that what I am saying is correct.

Now, what does the administration say? They do not say that a BAMBI-type system, that the space-based KKV is not barred by the treaty. They do not say that. They said, "We do not know."

What you get out of the administration is doubletalk. As a matter of fact, if I recall correctly, we asked this question to Secretary Weinberger and he being unaware of the extent I guess of the BAMBI study said in effect that, well, we are studying that but we think it is different because BAMBI had an exploding warhead whereas we are talking about a kinetic kill warhead.

Excuse me. That was not Secretary Weinberger. That was Richard Perle, the Assistant Secretary of the Department of Defense.

But I think that it is correct to say that the administration either has not made up its mind on this question or that it speaks with several voices, or at least it is unpredictable as to where the administration will come down on this question of is the space-based KKV a BAMBI-type system.

So, Mr. President, if it is a BAMBI-type system, and there is just not any doubt that it is, it is prevented by the broad interpretation of the treaty and by the narrow interpretation of the treaty. It has nothing to do with that because it is not based upon other physical principles. It is based on principles that are as old as 1962 which have been tested indeed in 1962.

So, that leads to the ineluctable conclusion, Mr. President, that if the administration is in doubt about something so fundamental as that decision, then we in the Congress better put something in so at least we will have some control over whether that treaty is broken, maybe inadvertently. Maybe the administration has a lack of information in spite of our assiduous efforts to show the administration what is in their own studies, or maybe some read and do not understand. None is so blind as he who will not see or so deaf as he who will not hear.

And the plain words are there. But maybe they are being ignored simply on the basis of—I do not know on what basis. In any event, Mr. President, it is very clear that what the administration or what some in the administration have in mind would violate the treaty under a broad or narrow interpretation and we must, therefore, have the Nunn-Levin amendment in order to prevent that.

If the Congress does want to get into a testing program or a deployment program or a development program, then we ought to go into that with our eyes wide open. Just yesterday the administration said, "Well, the cost of this space-based KKV program has now doubled." Instead of being about $40 billion to $60 billion, the first estimate, they say it is now around $100 billion.

I have news for them, Mr. President. They cannot touch it for $100 billion. And do you know, Mr. President, how effective that architecture would be? If it worked and if it were deployed at whatever cost, even if you could get it at $100 billion, you are only talking about a system that would shoot down about 1 in 5 of the Soviet incoming ICBM's. And you are also talking about a system that could be easily defeated at much less cost and on a much quicker timeframe by the fast-burn rockets.

Now, why do I say that? I say that because the administration's own experts say that. In other words, if you have got a space-based KKV based upon orbiting rocket pods with sensors that sense the plume of that rocket as it comes up through the atmosphere, then it has got to be able to get to that plume before the plume burns out. And if you put a fast-burn rocket—by fast-burn, I mean something in the neighborhood of 100 seconds, maybe even 150 seconds would do it. The SS-18 now has a burn time of 300 seconds, so that is a long time within which that plume can be observed by the heat-seeking orbiting battle station. But if they reduce that by half, and that is, according to all the experts, known technology. It is not exotic technology. It is known.

So if the Soviets put in that fast-burn system then it defeats catastrophically, according to the lead scientist at Lawrence Livermore Laboratory, it defeats catastrophically the space-based kinetic kill vehicle. So, oops, there goes your $100 billion if you could build it for that amount. So if we are going to make those kinds of decisions, Mr. President, we ought to be brought into it because you know if the administration breaks the treaty and starts the race, then you are into it. Once you start that race and then the Soviets are doing their thing, then you have got to do your thing and then it is a tit for tat and we are off to the races.

For example, do we have any choice now as to whether to go to MIRV missiles, multiple independent reentry vehicles, where you put 10 or maybe as many as 20 independent nuclear bombs, warheads, on a rocket? No, we do not have any choice because we chose not to enter into a treaty back when we could have. Back in the late 1960's and early 1970's, we could have had a treaty which could have said do not put, I think it is, 12 warheads on the SS-18 or 10 warheads on the MX missile. We could have chosen not to do that which would have vastly reduced the number of warheads. We chose not to do it. Once you are in the race, you do not have a choice. And that is what would happen with respect to SDI.

Once you are in the race, you do not have a choice. You can say, well, it may or may not work or $100 billion is too expensive, but when you are in that race, Mr. President, it is too late to talk about "Shall we do it or shall we not do it?" We would have already done it. The credit card would have already been charged and the bill would be on the way. Now is the time, before we break the treaty, to make those kinds of decisions.

Now, finally, Mr. President, I would like to deal with the question of why should anybody object to this great defensive system, this astrodome that the President wants to put over the country. Why should the Soviets be scared to death, if that is a correct statement of what Gorbachev says? Or why, conversely, should we be afraid if the Soviets develop such a system? Well, the reason is plain, Mr. President, that SDI is more useful as an offensive system than it is as a defensive system. It may not work. In my judgment it probably will not be effective, at least not for over a decade, no matter how much money we want to spend on it, as a defensive system. Because you simply could not get enough of the warheads. Where it is very, very useful is as an offensive system. Why is that so?

First, because it would be a wonderful ASAT system. In other words, we have got sensors and we have got orbiting rocket pods. All we would have to do is point those rockets at Soviet satellites and we could in effect blind the Soviet system. Both the Soviet Union and the United States depend upon satellites for all kinds of information—for battle management, of course, for intelligence, as well as for such mundane things as the weather. And an SDI system would be able to shoot those down.

Well, now, is that a good thing? Well, Mr. President, I submit it is not a good thing because it is destabilizing; because the Soviet Union would know we had the ability to blind them at any moment and therefore they would be tempted to make a first strike on us before we put the first strike on them. In other words, the slightest aberration in the world of politics, any crisis that came up, the Soviets would immediately go into a huddle and say, "Look, is this going to develop into a real crisis? If so, we better push our nuclear button now."

The whole question, Mr. President, in my view, of arms control is really a question of crisis management. Nobody thinks, or very few people think, that it is even conceivable that the President or the Pentagon would get together and say, "Let's push the button right here on this beautiful Wednesday morning and obliterate the Soviet Union and get rid of that threat." Nobody thinks that, including the Soviet Union.

Conversely, we are not worried about that for the Soviet Union. We are not worried about Gorbachev and his people saying, "Let's do it now."

What we are worried about, and both sides worry about, is the development of a crisis, a Cuban missile crisis, for example, where the chances of war, according to Kennedy, were about one in two, I believe is the figure that they used. I mean the idea, if that were true, that we had a one-in-two chance of obliterating the world or a good portion of it in 1960 is mind-boggling. We had only a fraction of the nuclear weapons at that time as we have now. We probably have 50 times as many now as we did then. But the crisis, the possibility of a crisis developing into the kind of situation

where either side is thinking about pushing that button, is still there.

Just in today's paper, they reported an event which happened yesterday in which the distinguished Senator from Georgia and the distinguished Senator from Virginia were able to finally get a crisis management center jointly manned by Soviets and Americans so that in this time of crisis they can trade information, because of bad information being the real enemy of stability in times of a crisis.

Now the ability of either side suddenly and without warning to decapitate the other side with respect to information by doing away with our satellites is destabilizing, because there is no time to talk, there is no time to do anything. You have to "shoot 'em or lose 'em." In other words, you are going to lose all your rockets, you are going to lose your ability to see unless you shoot them now. And at the time of a crisis, that is a very great danger.

So SDI is first useful as an ASAT system to blind the other side. Second, it is useful as an offensive weapons system because it would be good against what we call the ragged response, maybe not against the first strike.

What I mean by that is this. Mr. President, if we fire off, say, 5,000 warheads at the Soviet Union as a first strike and take out as many of their rockets and their bombers and their military installations and all the rest as we can, then there will be some remnants of the Soviet nuclear force which could be fired at us. Submarine-launched ballistic missiles come to mind immediately. There is no way, probably, we could take those out. So here comes a second strike or response from the Soviet Union.

For that purpose the strategic defense initiative would be very useful.

Mr. President, The Congressional Research Service at my request prepared a report called "Project Defender," which I believe deserves the attention of my colleagues. This 24-page document is a description of a classified research and development effort undertaken by the DOD from 1958 to 1968 on ballistic missile defense technologies. A subset of that general research was Project BAMBI which explored the use of satellite-based interceptor rockets to destroy enemy ICBM's in their boost phase.

The reports compiled in that research effort are so old, Mr. President, that they have been declassified. Now why is this research important today? Why is this report, a descriptive summary of research undertaken a quarter century ago, worthy of my colleagues' attention?

Mr. President, the entire defense authorization bill is held up because the administration wants to be free to adopt their so-called broad interpretation of the ABM Treaty to accelerate testing and development of the strategic defense initiative in pursuit of an early deployment. The essence of that reinterpretation is that exotic ballistic missile defense systems, those "based on other physical principles," may be tested and developed even if those systems would be based in space.

In contrast, under the traditional interpretation the testing and development of space-based ballistic missile defense systems are prohibited.

The crucial question becomes, what is an exotic system, because the so-called "broad interpretation of the ABM Treaty broadens the permissible testing and development only for exotic systems. Well, laser weapons are generally considered exotic, but they won't be ready in time for an early SDI deployment in the mid-1990's. The SDIO admits that.

The only defensive weapons system SDI has proposed for deployment in space in an early SDI deployment to destroy Soviet ICBM's in their boost phase where they are most vulnerable is the space-based kinetic kill vehicle or SBKKV. The term "SBKKV" is fancy terminology for a guided missile that would collide at high speed with the Soviet ICBM. These guided missiles would be based by the thousands on satellites orbiting the Earth. The fact of the matter is, Mr. President, if SBKKV is not exotic then neither the narrow nor the broad interpretation of the ABM Treaty permits it to be tested and developed. And without SBKKV, early SDI deployment is dead in the water. In short, if SBKKV is not exotic, then this contentious fight over the broad interpretation of the ABM Treaty is, for all practical purposes, a useless bloody exercise.

I began to think SBKKV was less than exotic several months ago when I obtained a 1,000-page report entitled, "A Review of Project Defender for the Director of Defense Research Engineering," dated July, 1960. That 27-year-old report included a picture of an SBKKV that was a dead ringer for the model of the SBKKV that General Abrahamson, the SDIO Director, was exhibiting at hearings this year.

Richard Perle, former DOD Assistant Secretary, told the House Armed Services Committee on March 13, 1987, that SBKKV are exotic because they collide with their targets rather than destroying them with a fused warhead. However, the interceptor rockets being researched in Project BAMBI 25 years ago were also so-called kinetic kill weapons.

Mr. Perle suggested SBKKV are exotic because they will have an infrared guidance system rather than being guided by radar. But the systems being investigated a quarter century ago were also intended to be guided by an infrared guidance system.

Then on May 19, 1987, Secretary Weinberger told the Defense Appropriations Subcommittee that this 25-year-old research was "simply a program on paper." In other words, we never got far enough in the technology on SBKKV back then to conclude that SBKKV is not exotic.

This Congressional Research Service report on Project Defender proves that the technology for SBKKV had proceeded much further than mere paper studies long before the ABM Treaty was signed. This CRS report shows that SBKKV vehicles were designed, built, and even tested under simulated space conditions in the early 1960's.

As for kinetic kill weapons the report indicates that well before the ABM Treaty we actually intercepted real missile warheads at White Sands using small rocket interceptors launched from an aircraft. So there is nothing exotic about killing a missile warhead with a kinetic kill vehicle.

Interestingly enough, Mr. President, the administration has not officially concluded that SBKKV is exotic. They admitted that in their May 19 report to Congress on the ABM Treaty. In other words, we do not know that adoption of the broad interpretation of the ABM Treaty will permit the testing and development of SBKKV.

One can understand the difficulty of asserting that SBKKV is an exotic technology given the thousands of pages of research and test results on SBKKV dating back to 1958 that are stored in Government vaults.

I commend this CRS report to my colleagues and I thank the authors of the report, Charles Gellner, senior specialist in international affairs, and Terri Lehto, for their efforts here in retrieving a valuable historical record.

Mr. NUNN. Mr. President, I ask unanimous consent that we might have an additional 2 minutes before the previous order is implemented.

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

Mr. WARNER. I join in that request for purposes of acknowledging my appreciation to the Senator from Louisiana for his thoughtful statements on the work done by the Senator on nuclear risk reduction efforts. I understand the Senator from Georgia has a statement which, after stated, I will indicate my concurrence with.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. I want to thank the Senator from Louisiana for his remarks. I want to commend him for doing an exhaustive and very detailed study of the strategic defense initiative and for enlightening the Senate on the facts about that, including the kinetic kill vehicle; including, I think, the very strong case that broad versus narrow definitions of the treaty do not really have a bearing at all on whether they

are going to be able to test the kinetic kill vehicle that they have in mind.

The Senator has done tremendous work. The Senator from Wisconsin has joined him. I commend the Senator and his capable staff.

Mr. JOHNSTON. I thank the Senator from Georgia very much.

Mr. NUNN. I believe this has been cleared by the Senator from Virginia and the other side. I would like to request amendment 681, the Byrd-Nunn amendment adopted last night, be separated from the underlying Glenn amendment which is amendment 680 and treated as if it had been enacted as a first-degree amendment to be inserted in the bill at the appropriate place.

Mr. WARNER. Mr. President, I earlier indicated my concurrence. Indeed, that is the case. I have now just been notified by the minority leader that at this time on his behalf I am to interpose an objection.

I express my apologies to the chairman. I have just at this moment been informed. Certainly it reflects what my understanding was of the agreement that we reached last night.

The PRESIDING OFFICER. Objection is heard.

Mr. NUNN. I thank the Senator from Virginia for making that clear.

Perhaps we can work it our later on in the day, because this is an accommodation to the Senator from Ohio.

Mr. President, if there is any remaining time of the 2 minutes, I would waive that back and ask that the previous order be completed.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. The Senator has yielded back any remaining time. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

There being no objection, the Senate, at 12:33 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. EXON).

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

The Senate continued with the consideration of the bill.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I rise to discuss the pending amendment and the entire scenario which has existed these last couple of days. I have been paying careful attention to the debate on this very important issue. I would like to spend a few moments, with the indulgence of this body, to review a little bit the factors which I think have led us to the situation we are in today.

I think it is important to note, Mr. President, that this is the first time in history that we have ever had a Department of Defense authorization bill in this Senate held up for the length of time that it has been held up, some 5 months. We continue to fail to address some very important amendments, of which there are many which must be addressed before this body can approve of the authorization bill for the very important and most critical function of spending for this Nation and its vital national interests throughout the world.

Why has this legislation been held up for the length of time that it has been? I think the answer to that is obvious to those who have been following the course of actions that have taken place concerning this legislation. It all has to do with one single amendment, the so-called Nunn-Levin amendment, which we all know dramatically circumscribes the President's authority to conduct what he feels is important testing of the SDI.

I think it is important to recognize the depth of feeling on this side for a variety of reasons, including a basic and fundamental one. That is that there is no place on the authorization bill appropriate for this kind of an amendment. There are, indeed, other vehicles.

As my distinguished colleague from Louisiana mentioned earlier today, this will probably be part of an appropriations bill which will probably be voted on one way or another as well.

Instead, we find ourselves locked in sometimes acrimonious dispute over this particular amendment, not only as far as the basic thrust of the amendment is concerned, but the nonapplicability of this amendment as part of the defense authorization bill.

I regret it frankly, Mr. President. I have a couple of amendments to offer that I think are important to this bill. I regret that we have been unable to give the men and women who serve in the military of the United States the assurance as to how they will be taken care of in issues ranging from a pay raise to the kinds of equipment with which they will be supplied to defend this Nation's vital national security interests throughout the world.

I again would appeal to my friends on the other side of the aisle to set aside this amendment. Let us get about the important aspects of the defense authorization bill, address those issues, and get this bill passed.

Presently we all know that if this authorization bill reaches the President's desk with the Nunn-Levin amendment contained therein, it will surely be vetoed. So when charges of obstructionism are leveled at this side of the aisle, I think there is no greater testimony to the tactic of obstructionism than that of approving a bill that is sure to be vetoed, not vetoed because of 98 percent of the bill which has been agreed upon in a rare degree of unanimity on the Armed Services Committee but because of one single amendment.

So I think, Mr. President, that it would serve the interests of the body, but more importantly the country, if we dispensed with the so-called Nunn-Levin amendment and went on with the rest of this bill. It obviously appears as if we are not. It obviously appears as if this body will be spending very long and perhaps late hours debating this single amendment and disregarding, unfortunately and unintentionally, the rest of the authorization bill, which inevitably will lead to a lack of attention to certain amendments and certain aspects of the bill which I believe deserve the attention of this body. Of course, the Nunn-Levin amendment circumscribes the authority of the President to conduct testing of SDI.

I think it might be in the interest of this body again to review the strategic defense initiative and what it is all about and the contribution it has already made in the opinion of many to this Nation's security. I think there is one basic fact that is well worth recognizing and appreciating—and I think it is appreciated by the overwhelming majority of informed opinion on arms control issues. It was the strategic defense initiative which brought the Soviet Union to the bargaining table and is leading us to the threshold of a landmark agreement which will for the first time in the history of arms control negotiations do away with an entire generation of nuclear weapons.

That is a major and singular contribution that the strategic defense initiative has made, and in my opinion renders it of enormous value as a program and an initiative, the benefits of which have already far outweighed its costs.

It was interesting to hear my distinguished friend, the chairman of the Armed Services Committee, say that he had offered to the administration he would withhold debate of this amendment as long as Mr. Shevardnadze was in Washington negotiating with Secretary Shultz over the possibility—we hope probability—of a summit meeting between Mr. Gorbachev and President Reagan.

If that is the logic my distinguished friend and chairman of the Armed Services Committee is using, then it would be far more profitable for this amendment to be dropped until such time as the summit meeting is complete, because I think it is very clear that SDI will play a role in the negotiations at the summit, which we hope will take place within the next couple months. I hope that a couple months delay would not impair the ability of my friend and colleague from Georgia to impose his will and that of what appears to be the majority in this body that the authority of the President on

testing SDI be circumscribed as is described in his amendment, or to more accurately describe the amendment until such time as there is a positive vote of both bodies.

I think it is also very important to point out that the strategic defense initiative is for the first time in the history of nuclear weapons a chance to erect a defensive barrier rather than a continued buildup of offensive nuclear weapons which for all intents and purposes has continued unabated since the detonation of the first nuclear weapon at Hiroshima and Nagasaki in 1945.

There are a number of arguments concerning the strategic defense initiative, and I will not review them all; it is the subject of another debate. But I think it is abundantly clear to most Americans, and the reason why there is overwhelming support amongst the American people for the strategic defense initiative, that it gives us an opportunity to erect a defensive shield in space as opposed to the continued buildup of offensive nuclear weapons on the ground, in some cases outside Tucson, AZ, and other parts of the State of Arizona.

Will the strategic defense initiative work? I certainly, Mr. President, do not have the scientific knowledge and talent to make that judgment, nor do I believe, many people in this country. But to reject out of hand the possibility of not an impenetrable shield, but a sufficient defensive system which would place sufficient uncertainty in the minds of the Soviet war planners about the success of a first-launch strike, I think is wrong. Obviously, it is not achievable without sufficient expenditure of time, money, and effort on the part of the scientific community in this country. But it appears to me that if the Nunn-Levin amendment is, indeed, adopted, we will be precluded for all intents and purposes from finding out if there is a viable SDI system that can be built at a reasonable cost in a reasonable length of time, because we are all aware that any weapons system sooner or later arrives at a point where it must be tested. Research and development, work in the laboratory is an important, crucial, fundamental aspect of any weapons system but sooner or later we have to test.

Given my experience in the other body, which was only 4 years, it is highly unlikely that the body would approve the kind of testing necessary for SDI to become a reality, or even parts of SDI, which leads me to another aspect of this amendment that is exceedingly disturbing to me.

As a Member of the Senate, I cherish the differences between the Senate and the House. In fact, I am deeply grateful that I have the opportunity to speak at length on this issue on the floor of the Senate as opposed to the extremely restricted debate due to the number of Members in the other body.

But I am loath to give up the constitutionally mandated obligation of the Senate, and that is to ratify treaties, to provide advice and consent. We can certainly go into a later time the extent of the advice and consent which is constitutionally mandated. I believe my colleague from Indiana pointed out that the early Members of this body, many of whom were parties to the Constitution of the United States, had a different view of the meaning of advice and consent. But I do not think in their wildest imagination the Framers of the Constitution contemplated a treaty-making role for the House of Representatives as would now be consigned to it by the Nunn-Levin amendment. The Nunn-Levin amendment clearly states that unless there is a vote of approval by both Houses, then the President will be prevented from further testing of SDI. Not only is that unlikely from a practical standpoint, given the makeup of that body, but, most importantly, it is a clear abrogation of the rights and responsibilities of the Senate. I hope that in their deliberations my colleagues will take that into careful consideration.

On the subject of negotiations, it has been a long, hard road for this administration to reach the brink of a significant arms control agreement. It is not this Senator's opinion that this amendment will be a severe handicap in our negotiations. That is the opinion of the negotiators. The negotiators themselves appeared at a hearing of the Senate Armed Services Committee and stated that the passage of this amendment will impair the ability of our negotiators to arrive at a meaningful arms control agreement in Geneva.

And by the way, I did not need, nor did the committee I hope need, that information from those negotiators because common sense dictates that because that is what the Soviets have been seeking for years and years and years ever since SDI became a possibility.

It seems almost incomprehensible that this body would give away to the Soviet Union something that they have been unable to achieve at the bargaining table. In fact, in an act of great political courage, perhaps one of the most courageous acts, was the reason why the Reykjavik negotiations foundered because our President refused to sacrifice SDI on the altar of promised arms control agreements.

Mr. President, I am not one who would never negotiate away SDI. I think I could draw a scenario at some time in history of negotiations where there would be significant, meaningful, and indeed draconian reductions in offensive nuclear weapons, that at that time it would be entirely appropriate for the strategic defense initiative to be part of that tradeoff. But I certainly would suggest that at this time in these negotiations not only is it an inappropriate time, it could be incredibly damaging to the ability of our President and our negotiators to reach that point in the negotiations.

I think, Mr. President, that as we continue this debate it would be very important for us to try to remember why this legislation is before us. This legislation is before us so we can provide the equipment, the pay, the material, and all the requirements for the Armed Forces to take care of the United States' vital national security interests throughout the world. It is not—it is not, I repeat—a vehicle for various arms control provisions so that we can carry out some kind of, or impose some kind of arms control negotiations on the President of the United States and his negotiators. I think it is important when we discuss this amendment to know what we are talking about. We are talking about the strategic defense initiative, the funding for which when we look at the overall funding for defense is rather small. It has been significantly reduced over the last few years from the President's requests. And yet many Americans believe, and I think accurately, that this SDI provides an opportunity to end the unending and tragic arms race in which we have been involved with our adversaries since 1945.

Mr. DIXON. Would my friend yield for a brief question?

Mr. McCAIN. I am more than happy to yield to my friend and distinguished colleague from Illinois, a man very dynamic and knowledgable on this issue, and one who has spent a great deal of time and effort on this subject. And I am sure I will be more than illuminated to hear from him.

Mr. DIXON. May I say to my friend that what I hear, and what he says about the funding for the SDI Program, is that it has not grown as much as the President requested. That the Senator would concede. But would my friend from Arizona, who happens to be a member of my Subcommittee on Readiness, Sustainability and Support, and has seen what has happened to the preparedness and readiness programs and how they have dwindled over the years, concede that the 22-percent growth that we gave over last year for SDI in our Armed Services Committee is considerably more formidable than what even he would expect to obtain, either from this body or the Congress as a whole?

Mr. McCAIN. I suggest that the point of the Senator from Illinois is very well made. But it all depends on the matter of priorities. If the Senator feels, as many of us do, and obviously the administration does, that a viable SDI Program can lead to significant

reductions in expenditures in other areas, such as the never-ending new generations of offensive nuclear weapons over time, then many feel that it is an investment well made.

I would also, before I yield again to my friend from Illinois, like to say I share his deep concern and his commitment to the readiness and preparedness of the Armed Forces of the United States. I also share his view that we are in danger now for the first time since the late seventies of leaving the men and women who man the Armed Forces of the United States unprepared for the defense of this Nation's vital national security interests.

I would be glad to yield back to my friend.

Mr. DIXON. May I only say, and I hesitate to interrupt the remarks of a dear and respected friend like the Senator from Arizona, but I know about his concerns in the same area where I have concerns. The fact is that all of those charts on ammunition, charts on depot, real property maintenance, all those things, spare parts, show us getting back down in 1991 to about where we were in 1981 at the beginning of the Reagan administration. All those things say to me that we have profound problems everywhere from a fiscal standpoint and a financial standpoint.

I only wanted to say that while I have the highest personal regard for my colleague from Arizona, and believe in a lot of what he is saying about the strategic defense initiative, yet I say to him given the priority problems that we had in that committee to give a 22-percent growth in SDI, while either cut or held at the same level, and on the whole bill itself permitted only growth at zero percent inflationary experience, I think no one can complain about how we treated the Strategic Defense Initiative Program.

So when this Senator comes back, may I say to my friend, and it says on page 23 all we are doing is exercising the power of the purse, having treated this program pretty generously, I at least think by comparative analysis there is a value in what the Senator says.

I thank the Senator for letting me interrupt.

Mr. McCAIN. I thank my friend from Illinois for that important statement and to a large degree I share his view. And I share his deep concern that we have made significant reductions in cooperation with the Defense Department, I might add, that place us at some risk. I would also like to repeat my point, and that is that when we look at the amount of money we have spent on strategic weapons systems—and I am not just talking about missiles, I am talking about submarines, I am talking about multi-billion-dollar pieces of equipment—if we can achieve a viable strategic defense initiative, the requirement for those enormously expensive strategic systems will go down. And therefore I believe we can spend more money in the areas which are so vital to maintaining our defense posture, and those are the "non-sexy items" such as bombs, bullets, pay, uniforms, gasoline, and spare parts.

So I think the point of my friend from Illinois is well made. But I also would like to point out that we also have the long-term view that we must take which many of us share; that is, if this program is successful, it can in the long term reduce the requirement for what has been a substantial part of the defense budget over many, many years. My recollection is somewhere around 30 percent of the defense budget has been devoted to strategic weaponry.

My goal is to see SDI become a reality which would then reduce dramatically or even eliminate the requirement for offensive strategic weapons.

Mr. President, I hope that we will continue this debate. I think it has been illuminating to many of our colleagues. I think it is an important issue.

I hope that in retrospect we might examine how we got to where we are today with the 5-month delay, and all of us around here at 11 o'clock last night with sometimes acrimonious debate, and recognize that the best way to avoid a repetition of this in the future is if we would leave arms control amendments off the defense authorization bill.

There are many vehicles for these kinds of amendments. We will see other vehicles used for these kind of amendments. But this Nation's defense is not the place to play around with the kind of argument and debate which we have been in which has precluded us from addressing the important aspects of this bill and which has precluded us from taking up some very important amendments to this bill which will be offered by many of my colleagues.

I also would like to finally say I understand how difficult this has been for my friend and chairman of the committee who has been through some very difficult times. I respect his opinion on this issue as I do many others. He has a degree of expertise behind him in this country, much less this body but on this issue I respectfully disagree and hope in the future we can continue to agree as we do on about 99 percent of the other issues regarding national defense.

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. DIXON. 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. DIXON. Mr. President, in view of the fact that my distinguished friend, Senator McCAIN, who apparently now will be managed on that side—at least for a brief period—has placed a quorum call in operation, I wonder if I could have unanimous consent to discuss a slightly related matter, but a matter that does not pertain to this amendment, for perhaps 4 or 5 minutes, while we wait for the next person on his side to come to the floor.

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

RESIGNATION OF RICHARD GODWIN

Mr. DIXON. Mr. President, last Friday, on the floor of the Senate, I expressed concern about an article I had read in a defense newspaper concerning Under Secretary Godwin of the Department of Defense. On Monday, I read a front-page article in the Washington Post about Under Secretary of Defense Godwin's pending resignation.

I am profoundly concerned about what I believe the situation is with respect to that position in the Department of Defense, because the resignation of Mr. Godwin, the Under Secretary of Defense for Acquisition, has occurred. The chairman of the committee, Senator NUNN, and the chairman of the jurisdictional subcommittee, Senator BINGAMAN, have scheduled a hearing on the question of how the Department of Defense, and specifically the Secretary of Defense and the Deputy Secretary of Defense, are ignoring the plain directions of the Department of Defense reorganization bill and the 1987 defense authorization bill that we passed last year.

My friend on the floor remembers that I was the sponsor of the amendment to the DOD reorganization bill that set up the Under Secretary of Defense for Acquisition, pursuant to the Packard Commission report. I can say that I was at every subcommittee hearing where that matter was discussed. I was at every committee hearing of the Armed Services Committee where that subject was discussed. I was on the floor of the Senate when the DOD reorganization bill was debated and that subject was discussed.

Throughout every proceeding pertaining to that legislation, it was agreed, I think, by everyone that we were creating a czar, a procurement czar, an acquisition czar, for the Department of Defense who would be the one, single person who would make those finite determinations about acquisition and procurement policy in the Department of Defense.

There is $185 billion—that is no small change—spent on military procurement. We have all the services competing with one another. The system is in place that has always been in place: the duplication, the waste, the mismanagement, and I regret to say even sometimes the fraud, that flourished in this country, through all administrations, for decades.

Here was a man who is trying to do something about it. I never will forget, after the reorganization bill became law—Senator Goldwater and Senator NUNN did a tremendous job on that bill—I remember going to breakfast with Secretary Godwin after his nomination had been confirmed. Senator LEVIN, as I recall, was there, as well as Senator BINGAMAN.

We said: "We really mean this; Congress really means this. We really want to give a free hand to you to be the acquisitions czar in the Department of Defense. We will back you. We will give you all the support you need."

Everything has been downhill since that wonderful morning at that breakfast, because he has not had the support, or cooperation from his friend the Secretary of Defense. The Secretary of Defense, the Deputy Secretary have done everything in the world to avoid the law. After everybody gave all their tributes to Mr. Packard and the Packard Commission, none of that is meaningful. It is all forgotten. The same old system is in place: business as usual, every man for himself, everything duplicated, get what you want.

I think it is a tragedy. I am surprised that the great national media, which sometimes can be concerned about small matters, has been so unconcerned about what I consider to be a really big matter taking place in the Defense Department right now which will lead to substantial continued abuses in that system.

It is a tragedy, and I hope more Members on both sides will ultimately be concerned about it and raise their voices against what is obviously occurring and say: "Look, the Packard Commission was right. We meant what we said in the DOD reorganization bill. We really want one czar in charge of all procurement and acquisition controlling what happens with American defense dollars."

As I stand here on the floor, proud of my friendship with the distinguished Senator from Arizona, who had a great and distinguished career in the military service, I think of the genuine heroes in America like him who have given so much for their country while many people in the present system are trying to figure out a way not to follow the law of the land.

All we were trying to do in that bill, with that particular provision, was to see to it that for the buck we spent we got a buck worth of bang to defend the United States of America.

I think it is a shame that there is not more understanding in the Department of Defense of the clear intention, positively expressed, of Congress when the DOD reorganization bill was passed.

Incidentally, I do not know that much about Under Secretary Godwin personally. I have met him and like him. I am an old trial lawyer. We always used to try the other guy in a lawsuit, and I understand that individuals in the Department of Defense and others are saying it was the problem of the individual, not the system. I will guarantee that it does not matter who we confirmed for that job. He would have the same problem, in my view, that Under Secretary Godwin has had.

I send word to the Pentagon that, so far as I am concerned, I meant what I said when we passed that bill, and the law means what it says. I think that like-minded people such as myself, on both sides, will ultimately try to see that there is a correction made soon in the policies of the Department of Defense with respect to the position of the Under Secretary of Defense for Acquisition.

Mr. McCAIN. Mr. President, will the Senator yield?

Mr. DIXON. I yield.

The PRESIDING OFFICER. The Senator yields the floor. The Senator from Arizona [Mr. McCAIN] is recognized.

Mr. McCAIN. Mr. President, I ask unanimous consent that I may address the issue that my distinguished friend and colleague from Illinois previously addressed.

The PRESIDING OFFICER. The Senator is recognized.

Mr. McCAIN. Mr. President, I appreciate the remarks made by my friend from Illinois and I would repeat again, as I am sure I will many times in the future, I do not know of a Senator here who has dedicated more of his time and effort to the preparedness and the capabilities of this Nation's Defense Establishment than my friend from Illinois. He has done a super job and I appreciate the opportunity of serving with him on not only the committee but the subcommittee which he so ably chairs.

I agree to a large degree with the remarks that my colleague just made.

Let me point out a little caution here because before we rush to judge the events that took place, I think it is important that we see if there is another side to the argument. I would direct the attention of my colleagues to an editorial that was in the Washington Post this morning, and I ask unanimous consent that it be printed in the RECORD.

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

EMPTY OFFICE AT DEFENSE

Richard Godwin has resigned as Pentagon weapons czar, saying he wasn't given the backing he needed to bring sweet reason to the acquisition process, the job for which he was hired a year ago. The depressing likelihood is that too much will be made out of the resignation on all sides. Those who continue to think the answers to the Pentagon's procurement problems lie in its table of organization will say, with reason, that his throat was cut by the very networks his job was created to supplant. The opposing school will say, perhaps also rightly, that the main fault lay not with the system but with him—that the former Bechtel Group executive, too used to having his own way, lacked the finesse this job required.

The real problem lay in relying on a reorganization plan to achieve a substantive result. We never learn. The vast and complex weapons acquisition process will never be efficient; we put too many conflicting demands on it. Its shifting foundation is the Threat, which continually changes with perceptions. Huge theological disputes develop about which threats are the most serious, what weapons should be built to meet them, how many different roles should be grafted onto each weapon.

These half-metaphysical, half earthy inter- and intra-service debates are complicated by the lack of any fully realistic way to test most of the doctrines and weapons. Most of them are built precisely so that they will never *have* to be used. The system is riddled with both conflicts of interest and adversarial relationships; careers and profits both depend on it. Atop all these are what might be called managerial questions. In developing a weapon—always in part a reach into the unknown—do you try to move as fast as you can, or as cautiously? Where do you come out in the daily trade-offs between sophistication and simplicity? Would you rather run a few production lines at optimum rates or a lot of lines at once but inefficiently?

The alluring idea of reorganization is that if only you could centralize this welter of decisions, you could achieve greater order. But that is an illusion. First, there is no agreement on what greater order consists of; if there were, the disorder would likely not exist. Some critics define reform as stripping weapons of gold plate, but others see it as hauling the auditors out of the defense plants and stripping the process of red tape.

Second, and more important, these decisions are in a sense already centralized—in the defense secretary. They are policy decisions, perhaps the most important the secretary is called upon to make. He cannot delegate them. The secretary has no shortage of subordinates now—the deputy secretary, the service secretaries. He can tell them what to do, just as readily as he can tell an undersecretary for acquisition to tell them what to do. Reorganization is always among the answers when a problem arises in government. But reorganization cannot paper over substantive differences; nor is it a substitute for will.

Mr. McCAIN. The editorial is entitled "Empty Office at Defense." It starts out:

Richard Godwin has resigned as Pentagon weapons czar, saying he wasn't given the backing he needed—

Et cetera.

It goes on to say:

Those who continue to think the answers to the Pentagon's procurement problems lie in its table of organization will say, with reason, that his throat was cut by the very networks his job was created to supplant. The opposing school will say, perhaps also rightly, that the main fault lay not with the system but with him—that the former Bechtel Group executive, too used to having his own way, lacked the finesse this job required.

Mr. President, I do not know which of those statements is correct because I, although familiar with the series of events that have taken place, obviously am not privy to the events that have taken place that led to Mr. Godwin's resignation.

I believe, though, there are two sides to this story, and I would hope that one of the hearings that our committee could have in the near future would have Mr. Godwin as one of the witnesses and perhaps have someone from the Pentagon, Secretary Weinberger, if necessary, to present evidence not for the purposes of either violating or vindicating Mr. Godwin, because let us face it he has resigned and that chapter is over, but perhaps to carryout, to achieve the goal which my esteemed friend and colleague from Illinois so greatly desires as do I which is the implementation of the Defense Reorganization Act which clearly has failed to a large degree to this point.

Whether that is due to personalities, whether it is due to the bureaucratic resistance, which we are all aware can be very intense, I do not know. But I believe that one of the services we can provide to the American people is to hold a hearing, and I know that my friend from Illinois would probably be very interested in that kind of a hearing so that we can inform the American people not only what happened but how we can prevent recurrence in the future.

Would my friend from Illinois like for me to yield to him?

Mr. DIXON. I only say and I thank my colleague from Arizona, I join him in saying that the best thing we can do is have some hearings on this. I am delighted to indicate to my friend from Arizona that there will be a hearing next Tuesday, I understand that Under Secretary Godwin has been invited, that the Secretary of Defense and the Deputy Secretary can present their views if they desire.

The only point I wanted to make here was I am just amazed at the lack of interest in the matter that I think is of fundamental importance, quite frankly, and central to the question of the Department of Defense reorganization bill that we passed. Last year everybody was saluting the flag and praising the Packard Commission report.

Now, I just suspect a lot of it is forgotten, and I regret that very much because I think there was a very strong intention upon many of us on both sides of the aisle of different political persuasions to really make this thing work.

Senator Barry Goldwater is down there in Arizona right down there today with or without a beard. I am sure Barry agrees with what I am saying here. I believe that great Senator, who was a great, great American leader, believes that we ought to do something about this.

Mr. McCAIN. I agree with my friend from Illinois.

If my distinguished predecessor, Senator Goldwater, were here, he would describe, in much more graphic terms than Senator DIXON and I can imagine, his displeasure, I am sure, at this turn of events.

I would also like to reiterate my agreement with my friend from Illinois. Perhaps the greatest problem in defense today is the perception, unfortunately to a large degree accurate, on the part of the American people that their defense dollars which are earmarked for defense are fraudulently or inefficiently wasted and abused. All too often we hear the story of a $200 hammer and a $400 toilet seat which in the words of my friend from Maine gave new meaning to the word "throne." All those horror stories we heard about in the weapons acquisition process.

Here we are in the situation where the post that was created to address this problem in large part is now being vacated under less than pleasant circumstances and it does generate so very little attention.

I would suggest to my friend from Illinois that one of the answers here, unfortunately, is that the issue is so complex, the question of acquiring a viable weapons system and taking it from the drawing board and getting it in operation is so enormously difficult that it is impossible to grasp, that we seem to focus on the simplistic aspects of it and not on the more difficult and complex aspects of weapons acquisition, which is exactly the job that Mr. Godwin held.

So I also would suggest that until we get full attention to this issue, we will not be able to cure the problem, and perhaps the hearing which we are now assured will take place will not only bring attention to this specific incident but perhaps give us better understanding as to how we can address the most formidable issue of defense acquisition.

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

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

The Senator is recognized.

Mr. LEVIN. Mr. President, the fundamental issue involved in section 233 of the committee bill is whether Congress will have a say in how SDI dollars are going to be spent. The issue is not which interpretation of the ABM Treaty is correct. Section 233 does not legislate any particular interpretation of the ABM Treaty. It does not express the sense of the Senate even that the traditional interpretation is the legally correct one.

Nothing in section 233 prohibits the President from stating that he believes the broad interpretation is legally justified as he has already done. He can continue to do so.

The President presumably in the future will decide whether or not he wishes to apply a new broad interpretation to the ABM Treaty.

What this language in the committee bill does is to preserve a congressional role in the expenditure of billions of dollars that we are authorizing for SDI.

The committee report perhaps states it as well as anyone.

The report reads:

The decision to authorize expenditure of funds for the Armed Forces is one of the most significant constitutional responsibilities assigned to the Congress. The strategic defense initiative is one of the most controversial and costly programs ever to be presented to the Congress. Without prejuding the wisdom and desirability of undertaking testing, development and deployment of mobile space-based ABM's using exotic technologies, it is imperative that Congress in general and this committee in particular examine in detail any proposed expenditures that would involve such a substantial change in policy.

That is what the committee report in support of section 233 provides, and I believe that Senator WARNER, on May 13, stated it accurately when he said, in response to a Senator who was stating that the committee report adopted the narrow interpretation, the following:

The authors of the amendment

That is myself and Senator NUNN—

Have tried very carefully to point out that we did not do that. We indirectly may have framed the debate for that, but in a sense all we did was to put in a technical restriction on the expenditure of funds thereby limiting the President's option at some future time if he so desired to make a shift in the direction of the program.

Mr. President, if we delete this language, we will be allowing the executive to decide unilaterally how to spend these SDI billions. Many of us, indeed, I believe most of us, want to exercise the responsibility which the

Constitution places upon us to decide how money is spent, not just how much money is spent.

The bottom line is this: Section 233 preserves a congressional role without prejudging how we will exercise it. If we delete the language, we will be abdicating the responsibility which the Constitution places upon us to control the expenditure of funds pursuant to the Constitution and laws and treaties of the United States.

Will the President later on say that he wants to apply a broad interpretation of the ABM Treaty? We do not know yet. But what we do know is this: The narrow interpretation has been in effect since the ABM Treaty was explained to the Senate in 1972 and ratified by the Senate at that time.

There were many exchanges during the committee proceedings at the time of ratification which made it clear that the development and testing of mobile, including space-based, ABM systems or components were prohibited. That interpretation carried right through 1985. The arms control impact statement, for instance, in 1985, an impact statement written by this administration, provided that—

> The ABM Treaty prohibition on the development, testing, and deployment of space-based ABM systems or components for such systems applies to directed energy technologies or any other technologies used for this purpose.

Mr. President, we also should note, in terms of the importance of this issue and the importance of Congress maintaining a role in the expenditure of funds relative to the ABM system, that six former Secretaries of Defense in March of 1987 wrote that:

> We believe that the United States and the Soviet Union should continue to adhere to the traditional interpretation of article V of the ABM Treaty.

So we are talking about an interpretation which carried forward at least to 1985, the so-called traditional, or the narrow, interpretation of the ABM Treaty. And now some say that despite that record, which is that important and significant, that we should now give the President the untrammeled right to move to a new interpretation or not as he sees fit.

Mr. QUAYLE. Will the Senator yield?

Mr. LEVIN. For a question, I would be happy to yield.

Mr. QUAYLE. For a question. In the Senator's judgment, which I value, and he is one of the most thoughtful Members of this Senate, I would like to ask him who does he believe has the constitutional responsibility to interpret the treaty after it is approved by the U.S. Senate by a two-thirds vote? Is it Congress, the Senate and the House by a majority vote, or is it the Commander in Chief, the President of the United States, that has the constitutional right to interpret the treaty?

Mr. LEVIN. The Congress is required to appropriate money pursuant to the Constitution of the United States. That includes the laws and the treaties of this country. We should not be appropriating money in a way which is unconstitutional. We have a right to be sure and to be confident and analyze and to think through what we are doing when we appropriate money.

And that is the issue. The issue here is not which interpretation is correct at this point. The issue here is if the President decides that he wants to spend money that we are appropriating pursuant to a new or a broad interpretation, that the Congress has a right, indeed, we think a duty, that it make sure that its appropriations comply with the law of the land. The law of the land includes the treaties.

So, my answer to the Senator—and he indeed is a thoughtful Senator—is that we have an obligation in the appropriations process to comply with the law of the land, which includes treaties. For instance, many of us when it came to dense pack in that appropriation, the MX dense pack, were very much concerned that it would violate a treaty—an unratified treaty, may I say, but a treaty which had been entered into by the United States.

Many of us had concerns that any money which goes to the Contras might violate the Rio Treaty. We seek defense money in order to make certain that our appropriations comply with the law of the land which includes treaties.

So I cannot give you an either/or answer. It is not that the President has the sole authority or that the Congress does. Each branch has its own duties. Our duty is to appropriate money. And we have the right and, indeed, I believe we have the obligation, to make sure our appropriations are compliant with the law.

Mr. QUAYLE. Let me just indulge my friend for one moment on a question. This is the thing I am trying to get before the Senate. I do not dispute the fact that the Congress of the United States, by a majority vote of the House and Senate, has the constitutional right, prerogative, to appropriate money for anything. You know, if they want to cut it off for MS, if they want to cut it off for revenue sharing, whatever it may be, they have a right to do that.

What I am trying to establish here and what I am trying to get is a direct answer. In the only Supreme Court case that I have been able to find on this point, the Fourteen Diamond Rings, which I am sure the Senator is familiar with, versus the United States. It says that, after the ratification, the power, the constitutional power of interpretation, rests with the President not the Congress. I am not talking about spending money.

You know, this amendment is predicated on article V of the ABM Treaty. It does not reference agreed statement D because those that propose the narrow interpretation of the ABM Treaty do not give much credence to agreed statement D.

But what I am trying to establish—and I think the Senator will agree with me—is that the constitutional responsibility, as adjudicated by the U.S. Supreme Court, in fact lies in the executive branch and the Commander in Chief. Obviously, if he interprets a certain treaty and asks for money, the Congress can tell him to go you know what and cut it off. Congress can tell him in polite terms, sometimes impolite terms, what to do.

But the fundamental point, and this is the thing that I ask my distinguished friend who is a very, very thoughtful and deliberate person—very precise, I might add—that I do not know how they can skirt the issue that the constitutional responsibility for interpretation rests with the executive branch. And that is the basis and that is the fundamental principle that drives this Senator and other Senators to speak long and hard on this issue.

I concede Congress' clear powers, and I believe political science 101 is clear on them as a matter of fact, and they teach them in the grade schools. It is even set out in our celebration—such as the power of the purse, the right to declare war. The power of the purse belongs right here and over there in the House. But not the power to interpret treaties once they are approved and become, as the Senator from Michigan says, the law of the land.

So I ask my friend once again: Is not the constitutional responsibility of interpretation of treaties, upon approval by the advice and consent of the Senate, with the President of the United States and the executive branch?

Mr. LEVIN. First of all, in terms of the Fourteen Diamond Rings case, that case stands, really, for the unremarkable proposition that a resolution which is approved by Congress cannot change the meaning of a prior law, including a treaty.

But let me now get to what your real point is——

Mr. QUAYLE. A resolution which is similar to the Levin-Nunn amendment. It is similar to the Levin-Nunn amendment.

Mr. LEVIN. We are not trying to change a treaty.

Mr. QUAYLE. Sure you are.

Mr. LEVIN. Let me try to answer your question.

Mr. QUAYLE. OK. You have the floor.

The PRESIDING OFFICER. The Senator from Michigan has the floor.

Mr. LEVIN. First of all, I am glad that my good friend from Indiana acknowledges that Congress controls the power of the purse.

Mr. QUAYLE. Never in dispute.

Mr. LEVIN. Also, I am glad my friend from Indiana would acknowledge that we can set restrictions on the expenditure of funds, we can fence the expenditure of funds. As a matter of fact, we have fenced the expenditure of funds and my friend from Indiana has voted for such fencing.

We have said that Congress will not allow you to spend these funds until you, for instance, come back to us with a report. We did that with the dense pack basing mode. We said you may not produce MX missiles until you come back and tell us about the survivability of a dense pack basing mode and what the other alternatives are.

We fenced the production money of MX missiles. Why did we do it? Many people did it for this reason—let me finish. Many people did it because they felt the dense pack basing mode violated a treaty, albeit an unratified one. When you look at the debates you will find that a number of people expressed the concern that dense pack would violate both SALT I and SALT II.

Now, it is clear to me in answer to your question—I am going to give you a direct answer—that the Congress need not appropriate money if it believes that appropriation will violate the law of the land. And, if it does not know whether or not the President is going to proceed in a certain direction or another in terms of his desire to spend money in one way or another, they may wait. Congress may wait.

It may fence the money and say, "Look, if you want to proceed in a certain way, you come back and you report to us and then we will decide whether or not we want to spend money in that way."

Why? Any number of reasons. We may decide we do not want to spend money in the way that the President now wants to spend money. We have a right to do that. That is our appropriation process. We have fenced the money in this language. There is no reason why we cannot build a fence around the expenditure of money. We do it regularly in the Congress.

We do not adopt any interpretation in this language. I have repeated that over and over again and I am kind of surprised that my good friend from Indiana doubts that because again I think even my friend from Virginia has acknowledged this. We have made it clear and the committee report makes it very clear that there is no intention here to prejudge the correctness of the narrow versus the broad interpretation. The background of this amendment is as follows: That since 1972 through 1985, the so-called narrow interpretation was followed by one administration after another—from President Nixon on, including the Reagan administration. And it is in their arms control impact statements.

All we are saying in this language is this: We do not know if you are going to move to a broad interpretation or a new interpretation, Mr. President. We do not know if you will or not. If you are, going to if you want to apply a new interpretation to the expenditure of these funds, you have to come back to us so that we can approve the expenditure of the funds. We may like the way you want to do it. We may not like the way you want to do it. But we want a role. We are not going to write you a blank check for $4.5 billion of SDI money, and then say you spend it under any interpretation you want, because there are some people who want a role in the expenditure of that money. That is all it says.

(Mr. WIRTH assumed the Chair.)

Mr. QUAYLE. Will the Senator yield?

Mr. LEVIN. Go ahead.

Mr. QUAYLE. I appreciate the Senator's indulgence. Let me just say a couple of things. First, an observation about comparing what you are doing with Levin-Nunn with what you did with dense packs or MX, there may have been some questions raised in debate, but I can tell you—I will go get the amendment, I don't have it—the amendment on dense pack and MX in no way referenced SALT II. In no way did it reference SALT II.

This amendment makes direct reference to article 5 of the ABM Treaty. That is a very big difference. Furthermore, as the Senator so properly points out, SALT II was unratified and therefore not the law of the land. The ABM Treaty has been ratified and is the law of the land.

But I can follow the Senator's logic and I can agree with him on a couple of points. Congress does have the power of the purse. But the Senator's resolution and the Senator's amendment is cutting off funding based upon an interpretation for a possible future action, a future action by the President of the United States.

So this is not saying we are going to deny you funds for the MX missile. You are denying them funds specifically for an interpretation of the ABM Treaty. And I have a very difficult time saying how this is not an interpretation of the amendment.

I mean, the very first paragraph:

> Funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test antiballistic missile systems or components which are sea based, air based, space based, or mobile land based.

That is almost identical language to that which is in article 5 of the ABM Treaty.

So I say to my friend from Michigan: Sure, I can follow you and agree with you that Congress has the right to cut off funds for certain ongoing programs. This is not an ongoing program. This is an interpretation of a treaty and what really makes matters worse, is that it invites the House of Representatives by majority vote to undo what the U.S. Senate could say was the interpretation of the treaty we are going to invite far more involvement on interpretation of treaties and other treaty matters from our friends over in the House.

Mr. LEVIN. Are you really suggesting that the House of Representatives has an obligation of appropriating funds which it believes violate the law of the land? Are you suggesting that treaties of this country are not binding on the House? Are you suggesting that when appropriating money the House does not have to consider the law of the land—including treaties which are part of the law of the land? Is that what your suggestion is?

Because I tell you I reject it. I think your problem really is not with this language, it is with the Constitution, which requires that appropriations of funds be by both Houses.

Mr. QUAYLE. I have absolutely no problem with that.

Mr. LEVIN. I think your other problem is that you do not consider treaties to be part of the law of the land.

Mr. QUAYLE. I certainly do.

Mr. LEVIN. Well, if you accept both of those, then the House in appropriating funds pursuant to the law of the land must consider treaties and has a right to. They are not interpreting treaties——

Mr. QUAYLE. Let me ask my friend this——

Mr. LEVIN. In any way other than in the appropriation of funds. And now let me read you the amendment on the MX basing mode.

> None of the funds appropriated in this resolution may be obligated or expended to initiate full-scale engineering development of basing modes for the MX missile until such basing mode is approved by both Houses of Congress in a concurrent resolution.

And now let me read you from some of the debate.

Senator MITCHELL supporting this:

> A third reason for stripping this resolution of MX missile production funding relates to the fact that the Dense Pack basing arrangement may violate the letter and spirit of the SALT I Agreement to which the United States is a party and the provisions of the SALT II Agreement which President Reagan is pledged to follow as long as the Soviets do likewise.

Let me read you another statement of Senator BYRD in this case, in terms

of supporting this restriction on MX production money.

The administration overlooks the fact that its Dense Pack proposal may reasonably be interpreted as a violation of the SALT II Treaty draft which the administration has said that it, and the Soviets, are both abiding by.

So there were many people in this debate who felt we should restrict those funds because they wanted money to be spent consistent with the law of the land. The law of the land includes treaties. That is the most direct answer I can give to my dear friend from Indiana, I may say, that the law of the land includes treaties and that when it comes to the appropriation of funds we should act pursuant to the Constitution.

Mr. QUAYLE. As I had said before, there are a number of things up to a certain point where I wholeheartedly agree with my friend from Michigan. I agree that the Congress has the power of the purse, to agree to condition or disapprove treaties. Furthermore, on this particular resolution, you are not denying money for a specific program for a specific test or development, because the administration has said, somewhat improperly, that they are not moving to the legally correct interpretation. So we are cutting off money based on a prospective, down the road, hypothetical situation that the President may not go to. There is not a specific program, so it is not a specific appropriation.

The Senator knows full well that once the President made that decision to go to the legally correct interpretation——

Mr. LEVIN. They have not made that decision.

Mr. QUAYLE. That is what I am saying, that this amendment is not attempting to deny funds to a specific program because there is not a specific ongoing program under the legally correct interpretation.

Mr. LEVIN. We do not know yet whether the administration will move to a broad interpretation. All we are saying is that we do not want to write a blank check that will give them the right to unilaterally move to that without our having a role in the process. What you want us to do is to write a check for $4.5 billion this year for SDI and then tell the administration to take the money and run: "You can do whatever you want and we will not have a role."

It is very possible that if the administration decided to interpret this treaty in a new way, the broad way, that the Congress might not appropriate $4.5 billion or authorize $4.5 billion. There are a whole lot of us who would never vote $4.5 billion if the administration were going to move to a new or broad interpretation of the ABM Treaty.

In other words, it is contingent. We put the $4.5 billion in but that is on the understanding of the representation that has been made to us, that they will continue to operate under the traditional or narrow interpretation of the ABM Treaty. You are saying, "What the heck, write the check. If they want to move to the new interpretation, that is our tough luck."

It is not our tough luck. It is the Constitution's tough luck if we allow that to happen.

Mr. QUAYLE. It is the Constitution's tough luck, which this Senator is preparing to do, to pass an arms control bill and decide what the majority of the Senate wants to have as an interpretation of the treaty, which I submit is not constitutionally proper for the Senate to do. I do not think the Senator from Michigan has disputed that, that the interpretation power rests with the executive branch. But the Senator's amendment is premature at best, premature because, as he well knows, we get into all sorts of line items. The SDI account has line items for all sorts of programs and there is no line item in there to go to the legally correct interpetation on testing and development of SDI. The administration has further said when, in fact, they move to such tests, not only will they tell Congress, but in Congress we pass laws all the time, and I am sure the chairman of the Armed Services Committee can pass out a bill in the matter of hours, if he wants to, and send it to the President saying, "We do not want you to spend money on this specific program."

But that is not what we are engaged in. We are engaged in the interpretation amendment. SALT II debate included people who had an anxiety about the dense pack, who did not think it was going to work, who had all sorts of names for that. Some called it the dunce pack, things like that. That is a debate I remember. The Senator referred to it in the debate concerning Senator MITCHELL and others, where you and others had concerns about the SALT Treaty and the ABM Treaty.

A far more proper way to voice such concerns is to make it a sense-of-the-Senate resolution to have our voice heard, rather than binding interpretation language on a defense authorization bill, which I believe is absolutely the wrong way to go. There is a serious question of the constitutional issues. We, by a majority vote, will interpret it as the law of the land, the majority here, and on the other side, will interpret what that treaty is as the law of the land. Do you want the Senate to start interpreting court cases? Absolutely not. I know the Senator does not want that. But that is exactly the type of direction we are going.

Mr. LEVIN. We appropriate money all the time and we all the time determine whether the money is for a legal purpose. We make those determinations all the time around here. We do not appropriate money for purposes which are illegal. At least, I hope we do not.

Let me conclude. We do not know, and I am glad the Senator says at best it is premature, but premature, it seems to me, is the argument that the President is going to move to a broad interpretation. We do not know that he will. The point is that we cannot give him the unilateral right to do that. We have a role in the appropriation of money. We do not have to write the check and say, "Here," and then allow him to expend or obligate those funds under a totally different set of circumstances than existed when we appropriated the money, or appropriate the money the way he has come to us, which is that he is continuing at this moment to abide by the traditional interpretation. We are not under the obligation to say, "Here is the money. You can now spend it any way you want, broad or narrow." We are not obligated to do that.

We can say this. There is nothing in the Constitution which prevents us from putting a restriction on the appropriation of funds. There is nothing in the Constitution which says we cannot tell the President of the United States, "If, if, if you want to move to a different interpretation of this treaty, then we want you to come back and see whether or not we will approve the expenditure of these funds because we might or might not have approved $4.5 billion if you told us you were going to operate under a broad or new interpretation of the ABM Treaty."

That is all we are saying.

You want to label that, if you want to label that, if you want to, that that means we are interpreting a treaty. The way I label that is that we are appropriating funds and we want to do it in a way which is legal, and we have a right to do that.

I think we have taken an oath to do it in the way which is legal.

I will go further with my friend from Indiana. I think our oaths require us to authorize and appropriate funds which are legal. You have conceded that the treaty that we entered into and ratified is part of the law of this land.

Mr. QUAYLE. Now, I think we are getting to another very fundamental difference that the two of us have, not only what this amendment is, what I perceive to be an interpretation amendment, and not an appropriation amendment, because there is no broad interpretation program that the President has yet requested. It is prospective. It is premature at best. But the Senator has just said that if you want

to give a blank check to do something, that is illegal.

Mr. LEVIN. That some of us think may be illegal.

Mr. QUAYLE. I do not see that to be illegal.

Mr. LEVIN. There are many of us in the Congress, perhaps a majority, who believe that the interpretation which was in effect from 1972 until 1985, which was announced on television might not be the correct interpretation. Many people believe in this Congress that that is the correct interpretation of the law which binds us, and by the oath we have taken we have said we will comply with that.

Mr. QUAYLE. That goes back to the fundamental question I asked at the beginning: Who is going to be the interpreter of treaties? Will it be the majority of the House and the Senate or the President? Once the President interprets a treaty, if the Congress disagreed with the interpretation, they can delay funds to implement that interpretation, because what the Congress cannot do is to sit there and say, "That is illegal and that you cannot do." Certainly, they can delay funds for a specific request, but they simply cannot interpret the treaty.

I believe what the Senator has said is very important, because he said it may be illegal. What he is asking the Senate to do is to make the interpretation of what they believe the interpretation of the treaty ought to be. That is something that many of us feel is fundamental to the Constitution in the separation of powers in giving flexibility to the executive branch in this very important issue. There are major differences on those two very, very fundamental points.

Mr. LEVIN. I think that the Senator from Indiana has actually in the last few moments said pretty close to what I think this amendment does, which is once the President decides that he wants to move to a new interpretation, then we can deny funds. That is exactly what this amendment keeps open as an option. Without this amendment the President can move to a new interpretation. If he decides to do that and could spend this money immediately, it would then require congressional action in order to block the expenditure of funds. Clearly if we can do that, we can say in advance that if you move to a new interpretation, you ought to come back to us.

Mr. QUAYLE. Will the Senator yield for a question at that point?

Mr. LEVIN. That is a distinction without a difference. And the way you have phrased it is really pretty close to the purpose of this amendment. You have said once the President interprets, we can deny the funds. That is very close to saying——

Mr. QUAYLE. You can deny the funds for a request that the President makes.

Mr. LEVIN. It is very close to saying if the President interprets we can deny the funds and that is exactly what we are doing here. We are not denying the funds. We are simply saying if the President interprets, we then want you to come back and get approval for the funds. So the Senator's description of what he thinks we can do—this two-step process of once the President interprets, then we can deny the funds—is pretty much the intention of this amendment. I would point out in subsection (b) of this amendment we say that:

> The limitation of subsection (a) shall cease to apply if the President submits to Congress a comprehensive report on the systems or components which the President proposes to develop for test; and after such report is received by Congress a joint resolution described in subsection (c) is introduced and such joint resolution is enacted.

I think my good friend from Indiana would concede we cannot have here a one-House veto or a one-House action. That would violate the Chadha decision. You must have a two-House action if anything is going to be legal. It has to be two Houses not only because the appropriations process requires two Houses, it requires two Houses because any veto or any action required by Congress must under the Chadha decision be with two Houses.

If I can just add one other thing which is really important I believe, it is that we want to give Congress the chance to act. What we have put in here is expedited procedures to be sure that Congress can decide. The reason that that is so important is that it confirms what I have said. Along with Senator NUNN, I am a cosponsor of this amendment and this is legislative history we are creating. What I have said is we do not prejudge which interpretation is correct. Now, the author of the amendment is here representing that to you. We did not prejudge which interpretation is correct. What we do prejudge and we do insist upon is a role for the Congress in the appropriation of funds. We want to know, if the President is going to move to a new interpretation, that he is going to do so, and then we want to decide whether we want to allow $4.5 billion to be spent under that new set of circumstances.

That is a very, very different set of circumstances than exist now for many—I will not say all, not for my friend from Indiana—for many Members of the Congress.

Mr. QUAYLE. Will the Senator yield on that point?

Mr. LEVIN. I would be happy to yield.

Mr. QUAYLE. He says this amendment does not prejudge what the interpretation of the treaty should be. If that is the case—as a matter of fact, there might be a way out of it—why not add agreed statement D into the resolution and allow us to go ahead and use money under article V and agreed statement D? Agreed statement D is not part of the resolution.

Mr. LEVIN. I think my friend would agree——

Mr. QUAYLE. Would you add that, agreed statement D, to the resolution?

Mr. LEVIN. No. And I think my friend would be the first to agree that the opinion of the State Department legal counsel is that this new interpretation of agreed statement D would allow funds to be spent for the developments and testing of mobile ABM systems and components. So if you put that in, you are then saying that you are wiping out the whole point of this, which is if you want to move to a new interpretation or broad interpretation of the treaty, come back to the Congress under expedited procedures and get our approval. If you put the language from agreed statement D in there, you completely wipe out the efficacy of this amendment. The point of this amendment——

Mr. QUAYLE. Why not put in the whole treaty?

Mr. LEVIN. The point of this amendment is not hidden. It is a very clear amendment.

Mr. QUAYLE. I know. That is why I am opposed to it.

Mr. LEVIN. It is a very clear amendment and it should not be misconstrued by anyone. It does not prejudge. It does not state what is the correct interpretation. And again, it is important in terms of legislative history.

My good friend from Indiana may some day want to rely on history because if this language stays in the bill, I would guess that if the President wants to move to a broad interpretation of the treaty, my good friend from Indiana will be coming back here saying we should allow him to do it under those expedited procedures. I do not think then you are going to want to argue that the Congress by the adoption of section 233 put itself on record as committing itself to the narrow interpretation of the ABM Treaty. Do you really want to say now that, if we adopt section 233, we are committing ourselves to the narrow interpretation of the ABM Treaty? Are you saying if we adopt section 233 you are not going to come back here if the President decides to move to a broad interpretation and argue under those expedited procedures that we ought to let him spend the $4.5 billion under the new interpretation? Is that what you are saying?

Mr. QUAYLE. There is no doubt in my mind that the Senator from Michigan and the chairman of the Senate Armed Services Committee, who are authors of this amendment, believe in the narrow interpretation. The reason we have this amendment is because of

your belief in the narrow interpretation and you do not want to see the administration go to the legally correct interpretation. So therefore, I presume people will be voting for that and will be voting for the narrow interpretation, which is an interpretation amendment, which is something that I fundamentally object to and that is the whole argument.

I think the Senator is stating it perhaps better than I. It is the interpretation that I object to, not the spending of money.

Mr. LEVIN. We believe it is Congress having a role in the appropriation of funds. Now, obviously we believe that the narrow interpretation was the correct one. We have made that clear. But the issue is this amendment does not take the position that the narrow interpretation is the correct one.

Now, I am a cosponsor of this amendment. All I can do is repeat to my friend from Indiana what our intention is. It was crafted very, very carefully to avoid putting Congress in the position of saying that the narrow interpretation is the correct interpretation. It was crafted to give Congress the right, if and when the President moves to a broader interpretation, to then decide whether we want $4.5 billion to be spent under those circumstances. That is all the amendment does.

Now, then you say, "Well, gee, Senator NUNN and Senator LEVIN have already expressed themselves in support of the narrow interpretation." And that is true. But this amendment does not adopt the narrow interpretation as the interpretation of Congress.

Let me ask my friend a question he has not answered. If and when we adopt the language of this bill, section 233, are you then waiving your argument later on on this issue? Later on, when the President comes to us under these expedited procedures, will you then be conceding that we have already adopted the narrow interpretation in this language? Are you going to waive that right now?

Mr. QUAYLE. Absolutely not, because if in fact the President goes to the legally correct interpretation, I will be advancing and hoping that the Congress in fact will approve that.

Now, under this resolution the majority of the Senate might be convinced but a minority in the House can undo what the majority of the Senate just did. I would say that that is, in my view, somewhat of a one-House veto.

Let me say one thing. The Senator keeps saying that his intention is not to interpret the treaty. I accept that. I have worked with the Senator long and hard on many issues and when he tells me that is his intent, I accept that. Let me just tell him something. In expressing your intent, you could do it a lot easier than by saying you do not want a reference to the treaty by instead putting in the whole ABM Treaty, or at least put in agreed statement D. What the Senator has done is to take out the most restrictive part of the ABM Treaty that happens to be compatible with the narrow interpretation and it is certainly very difficult for me to believe that you have not got some bias and prejudice and you want people to vote on your interpretation because that is the only provision that is referenced in the resolution that is before the Senate in the DOD bill. That is my difficulty.

Mr. LEVIN. That is the obvious way of making reference to a narrow interpretation of the treaty, which is exactly what the amendment does. It says if you want to move to a different interpretation, come to us for approval. That is all it says. That is the easiest way of making reference to a narrow interpretation of the treaty. The words "narrow interpretation of the treaty" are not words of art that can easily fit to a statute.

Would my friend from Indiana be happier if we said, if the President wishes to move from a narrow to a broad interpretation of the treaty, then he should come back to the Congress and get approval of the Congress? Would he not be standing there then?

Mr. QUAYLE. No. My desire would be that when and if—and who knows when this administration is going to move toward the legally correct interpretation. It has been quite some time. It has slipped for a long time. We have not gotten too far. But when they do that, the Senator from Michigan, the chairman of the Senate Armed Services Committee, has plenty of time, opportunity, power of persuasion, and other things I might add to get their thought across in a very proper way. They can deny the funds for a specific request of this President or any President.

I do not have any problem with that. I may oppose it. I am sure I would oppose it. But I would face head-on the denial of funds for a specific request that the administration has. It would be a line item in the DOD bill or the appropriation bill. We would have not a hypothetical situation or a theoretical situation way in advance. We would have something up front right now, we would debate it, argue whether we want to go ahead with a test, and maybe it would be the space-based kinetic kill vehicle. Maybe they say they want to test that. They can test if they want to move toward testing and development. It is all right with me.

We can sit there and say hey, wait a second. They are for a narrow interpretation. We do not like that. If you do not like it, strike it out. Delete it if you do not like it. Whatever you wipe out in the committee, try to restore on the floor or whatever it may be.

We can have a special bill. We do not have to wait for the DOD authorization bill.

This is a very important issue. I am sure there are ways we can get it before the Senate. I am sure the House would help you out. They pass everything quickly. If I understand you, they ought to be equal parties in these treaties particularly in the interpretation. We will have some new constitutional delegation of authority going on around here.

Mr. LEVIN. The whole point is without this language, the section 233, the President can spend for testing and development of the mobile system without even a request. I am very much intrigued by the Senator's position that it is consitutional. If the President reaches a new decision, interprets the treaty in a broad way, then says that is the way he is going to start spending money, then the Congress can say, "No, you are not." The Senator would say that that is not interpreting the treaties. The Senator says Congress can do that.

Mr. QUAYLE. Yes, denying funds.

Mr. LEVIN. Fence the funds in advance is what the Senator is saying. I know of no constitutional authority for that statement. I know of no constitutional authority for the position that we cannot put a fence around the expenditure of money when we can block the expenditure of those funds.

Mr. QUAYLE. What program is the Senator fencing the money from?

Mr. LEVIN. I am just saying the Senator has said we can block the expenditure of funds based on our interpretation of a treaty if it is different from what the President just announced yesterday.

Mr. QUAYLE. It is not based on it. It would be a denial of funds which the Congress can tell. Tell me what program the Senator is denying funds for. He cannot tell me. There is not one.

Mr. LEVIN. It can be anything.

Mr. QUAYLE. I wish there was one. I wish we could have a debate on this program. I have been telling the administration for a year that they ought to get on with it. They have not. I have lost that argument within the administration thus far.

Mr. LEVIN. The Senator lost another argument in the administration, too, because Judge Sofaer does not call this the legally correct interpretation.

Mr. QUAYLE. What is it called?

Mr. LEVIN. He says, "I have never used that phrase, never."

Mr. QUAYLE. What does he call it?

Mr. LEVIN. "It is a primitive phrase, don't you think. It is silly to talk about this treaty, this ambiguous treaty with phrases like that." That is what Judge Sofaer says about the Senator's description of this as the legally correct interpretation.

Mr. QUAYLE. I am delighted that the Senator agreed, and congratulates Judge Sofaer——

Mr. LEVIN. I do not congratulate.

Mr. QUAYLE. The Senator talked about Judge Sofaer.

Mr. LEVIN. I did not congratulate.

Mr. QUAYLE. I am going to reference the Senator's admiration for his ability to interpret words and things of that sort.

So I thank my dear friend from Michigan.

Mr. LEVIN. He is balanced, in my view.

Mr. QUAYLE. I know. Maybe we can get more balance as Judge Sofaer becomes more known to other Senators around here.

Mr. LEVIN, I want to show the Senator when Judge Sofaer comes up with something that is credible, as he has with this comment, I am the first to be espousing the wisdom of the particular comment that he has made. This one it seems to me is.

He has a lot of wisdom and things of that sort, and I certainly concur and want to be associated with the Senator's remarks.

Mr. LEVIN. Appropriating funds is Congress' province. How many dollars are spent on a program is Congress' business, as is the question of how those funds are spent.

Section 233 doesn't tell the President how to interpret the treaty. It tells him how we are willing to spend taxpayers' dollars.

Congress regularly considers limits on spending to conform that spending to its view of the requirements of the law of the land.

This was the case during the debates on the MX basing mode called dense pack. This was the case during debates on aid to the Contras. This was the case during the debates on funding for the mining of Nicaraguan harbors.

In all those cases, Congress wanted a role in funding programs which some felt violated a treaty which the United States had freely entered or agreed to comply with even in absence of ratification.

There's nothing new in what we are doing here. The bill language simply preserves Congress' say in how SDI dollars are spent. Section 233 simply provides that Congress won't hand over to the President the unilateral decision on how those SDI dollars will be spent.

The administration testified repeatedly that the SDI budget includes no plans for the testing or development of mobile ABM systems or components. Based in part on that testimony, the Armed Services Committee recommended the authorization of $4.5 billion for SDI. Should we not be able to rely on that if we want to? Surely we can say that if the President changes his mind and decides to apply a new interpretation, he should come back to Congress for our approval.

The committee included section 233 in the bill to ensure that if the administration changed its mind, the Congress would preserve its constitutional prerogative to approve or disapprove the expenditure of funds.

Section 233 does not impinge on the President's constitutional prerogatives. Rather it preserves the constitutional prerogative of the Congress to approve, disapprove, or limit the expenditure of Federal funds.

There are a number of reasons why Congress might decide to limit the expenditure of funds for testing or development of mobile ABM systems and components.

We might decide that a move toward near-term deployment of SDI is not wise, regardless of what is permitted or prohibited by a treaty to which we are a party. We might decide that near term technologies offer little hope for an effective defense, and that therefore the SDI budget should be spent on those technologies that offer more promise in the long term. Or, we might decide that such activity would constitute a violation of specific U.S. treaty commitments, and thus the law of the land.

Some say a congressional effort to exercise judgment on this issue would be tying the President's hands or pulling the rug out from under our negotiators. I'm afraid the rug rhetoric is threadbare. We were told not to constrain the MX missile or its basing mode—that we would thereby pull the rug out from under our negotiators. We were told not to cut the administration's annual SDI requests—that would pull the rug out from under our negotiators.

Well, we did both because our view of national security led us in good conscience to that conclusion. Our negotiators are still standing firmly on a stable rug. They are on the verge of entering into significant agreements with the Soviets and the administration admits we are powerful and strong.

Opponents say that section 233 gives the House of Representatives a one-House veto. It's not section 233—it's the Constitution which requires both Houses of Congress to approve spending. This provision, section 233, does not give the Congress any more authority than the Constitution provides: it preserves the congressional power to limit the way in which the President spends money. It is the Constitution which provides that both Houses approve not just how much is spent, but how Treasury funds are spent.

As we celebrate the 200th anniversary of the Constitution, we must recognize that all parts of the Constitution deserve celebration—not just the Executive powers provision. No Congress worth its salt would give up the power of the purse and turn over the purse strings to the executive branch. There is nothing unusual about Congress making certain that funds are spent according to law.

Under our Constitution, no President can demand a postdated blank check and claim he is entitled to it.

No Congress worthy of the constitutional grant of power over the purse should write such a check.

I think our colloquy with Senator QUAYLE has brought out some of the issues that I was going to go into. But the important issue here on this day we are celebrating the 200th anniversary of the signing of our Constitution is that this Congress has the right, the obligation, the sworn duty to appropriate funds. Senator QUAYLE I am afraid wants to jump right to article III or article II, get right to the executive and judicial branches of the Constitution. There is an article I. It comes first. It has to do with the Congress of the United States. It has to do with appropriation of funds. It has to do with the purse strings.

We are not obligated to hand over the money and allow the executive branch to spend it any way it wants to. We are both entitled and indeed obligated to make sure that money is spent in a way which is lawful and in compliance with the laws of this land including the treaty of this land. And there is no distinction that I know of in the Constitution between restricting the expenditure of funds as we have and between doing what Senator QUAYLE suggests he could accept, which is to block the expenditure of funds the day after the President announced a new interpretation of the treaty. We are saying if and when the President interprets the treaty in a broad way, we want you to come back to us for approval. That is all we are saying.

I know of no doctrine in the Constitution, no theory which would stop us from placing a restriction on the expenditure of funds in this way. We have done it repeatedly in the past. We did it in 1983 when it came to a basing mode for the MX missile. We said you cannot produce MX missiles until you come back to us with a report on a basing mode. We fenced that money. We made the administration come back to the Congress. We put in expedited procedures as we do in this language in section 233 to make certain that Congress could act following a decision by the administration if this administration decides to adopt a broad interpretation of this treaty, and again we do not know that they will. If they do, all we are saying is come back to us. We want a role. We do not want to cut off those purse strings and hand you the purse. We want to keep those purse strings

where this glorious Constitution which we are celebrating today put them, which is in the Congress of the United States.

Mr. WARNER. Mr. President, at some point would the distinguished Senator from Michigan entertain a question?

Mr. LEVIN. I am yielding the floor.

Mr. WARNER. I just much prefer if he would just accept a question.

Mr. LEVIN. Sure.

Mr. WARNER. I have listened with great interest to the Senator's analysis of this amendment, and he repeatedly said we want just to look at it. He keeps referring to the "we" and the role of the Congress.

In the drafting of this amendment did the Senator from Michigan, perhaps the distinguished chairman of the committee and others who collaborated, look at an option whereby both Houses proceeded to address the issue in much the same way we address other issues; namely we have to collaborate between the two Houses?

Mind you, by raising this question in no way am I acceding to the propriety or the advisability of the amendment. But I am just interested.

Did you consider the option whereby both Houses would participate, as we do on other bills, and perhaps have a conference, so that there is some jointness between the two Houses, comparable to the manner in which we pass other laws? As has been pointed out by the distinguished Senator from Indiana and myself and many others, we do read into this clearly a one-House veto. It is of great concern to this Chamber that the House of Representatives, just a handful, could override the judgment of all 100 Senators on this issue and, indeed, the President.

Hypothetically, suppose the President decided on a course of action in accordance with the Levin-Nunn amendment and came to Congress, as specified in the amendment, and the Senate, which is very knowledgeable on this amendment now, debated it, and all 100 Senators participated one way or another, at least by voting on it, and supported the President. Then the House of Representatives—and I do not say this in any pejorative sense—summarily handles it. A handful of Members of the House happen to assemble, and a majority present and voting decide the issue and, in effect, overrule the judgment of the President of the United States and the judgment of this Chamber.

My question to the Senator is this: My devising this amendment, did you consider an option—and I am not certain I can sit down and draft it right away—by which both Houses collaborate, go to conference, and then there is some joint action of Congress, which it seems to me would be more consistent with your repeated use of the words, "We want you, Mr. President, to come back and seek our approval."

Mr. LEVIN. This language was patterned after the Jackson approach in the dense pack basing mode.

Mr. WARNER. Mr. President, I realize that there are precedents, but now that I reflect on them, the distinguished Senator from Indiana raised one which did not relate to any treaty, but we made a mistake perhaps in that mechanism. We are in a critical situation. Some of us feel strongly that the action of a single Chamber is tantamount to the interpretation of a treaty, so it is different from dense pack and MX.

Mr. LEVIN. I am glad you acknowledge that there is precedent for this, because the dense pack approach was exactly this. It required a concurrent resolution of Congress.

There is a very simple basis for this. The Constitution requires that money be spent only after both Houses of Congress approve. So you may not like the fact that both Houses of Congress have to approve the expenditure of funds, but your problem is with the Constitution.

Mr. WARNER. Mr. President, I do not object in any way. I am proud to be a Member of the Senate, and I recognize that both Chambers have to act jointly on money bills. But I ask my colleague: If you are going to do it, why did you not try to devise a statutory procedure by which both Houses, acting together, have a conference, and there is some jointness in the action, before we overrule the Commander in Chief of the Armed Forces, the individual who under the Constitution is given what I regard as preeminent responsibility for this Nation beyond its shores?

Mr. LEVIN. I know of no better word for "joint" than "joint." It requires a joint resolution, under expedited procedure.

Mr. WARNER. Is there a conference? Is there collaboration?

Mr. LEVIN. You say "collaboration." The only way you can have expedited procedures—one way legally is to have a joint resolution, which is what we provide for, which is perfectly constitutional, my friend will acknowledge.

Perhaps you can devise some other approach to achieve a joint resolution. There are perhaps many other approaches. Under the Constitution, a joint resolution is what this language requires, under expedited procedure. So perhaps the Senator from Virginia could devise another way to a joint resolution, but this is the way this particular language reads.

Mr. WARNER. It seems to me that on money bills, we go to conference and send them to the President. This issue is far more important, in my judgment, than the money bills. This goes to the very heart of the security of this Nation, this particular ABM Treaty.

I am not pronouncing whether I am for the broad, the narrow, or the third position enunciated by the Soviets. Why should we adopt a procedure that preempts the work of the two Houses together to share the views as to any differences of opinion between the two Houses?

Mr. NUNN. Mr. President, if the Senator will yield, would the Senator from Virginia prefer us to drop that resolution and just leave that out, so that it would just be an ordinary law of Congress?

Mr. WARNER. We are looking at a lot of options.

Mr. NUNN. That would just be the normal procedure. We thought we were putting something in that would help the President, help the administration, and help the overall feeling on this subject by expedited procedure. We can drop that, if that gives the Senator concern, and we can have a regular law, which is subject to debate and filibuster and all that.

I am puzzled by the Senator's objection to something which expedites the President's move.

Mr. WARNER. Mr. President, I am talking about this Chamber working on it. Then perhaps 30 or 40 Members of the House might show up some day, with a simple majority present and voting, and could overrule the majority of this Chamber.

Mr. NUNN. Is that not the case with the $4.5 billion in SDI? Is that not the case of funding of every test in SDI, every ship, every submarine, every bullet, every pay raise? For everything we provide for the military, we have to have two Houses. The Senator being from Virginia, I thought he would be in favor of having the Senate and the House.

Mr. WARNER. It would be nice to go to conference and perhaps share the views of the two Chambers.

Mr. NUNN. The way to do that is to knock out the resolution and have it go through the normal procedure of having anyone on the floor of the Senate being able to filibuster and having 34 Senators being able to block consideration of the resolution. The Senator really does not want that, does he?

Mr. WARNER. Mr. President, we will work on that during the course of the debate.

Mr. NICKLES. Mr. President, I join my colleague and friend, Senator WARNER, in his amendment to strike out section 233, limitation on development or testing of space-based and other mobile antiballistic missile systems, which is included in the Department of Defense authorization bill.

I, like many other Senators, have been chagrined that we have been on this bill so long and have spent a lot of

time on this amendment. But this amendment, which deals with restricting SDI, or the strategic defense initiative, is very important. It is one that may have very long and lasting implications, not only in the Congress, but also in our negotiation process with the Soviets, in the efforts we make and the abilities we have in being able to come up with systems designed and capable of protecting the American people, capable of protecting our country, capable of protecting our defense capabilities.

As I have told the President and some of my constituents, I think it is high time we start working on developing systems that are capable of destroying weapons, not people. That is really the essence of what the strategic defense initiative is all about.

Quite a few people are excited about the fact that we are involved in negotiations with the Soviets in Geneva and Washington, DC, with Soviet Foreign Minister Shevardnadze visiting with Secretary Shultz; and people are optimistic and hopeful that an agreement can be reached on the INF talks. I hope so, as well.

Also, there have been discussions going on for a couple of years dealing with the START talks and in the space and defense technology talks.

I have visited with the Soviets and know that the Soviet Union is concerned about SDI. I have been pleased and honored to participate as a Senate observer for the arms control process. The Soviets, in my mind, do not care so much about the definition of what you call a broad or a narrow interpretation of the ABM Treaty. They are interested in whether we design components or systems capable of destroying their missiles.

They are interested in what kind of progress has been made by the United States on strategic defense. The Soviets take a very broad view of the ABM Treaty. If there is any ambiguity in any treaty, they will drive it to the hilt. If it is to their advantage to do so they will abrogate the treaty or violate the treaty. Many times we have been too silent dealing with treaty violations.

Is it not interesting that the United States and the U.S. Senate will spend so many hours, days, and months discussing the treaty, discussing one clause of a treaty, article V in the treaty, which is now inserted in this DOD authorization bill? Is it not interesting that we will spend so much time and legal effort by the State Department attorneys, by legal counsel, in trying to define what we can do or cannot do, and so little time in saying what are the Soviets doing? Does it really make any sense whatsoever for the United States to impose restrictions on ourselves while the Soviet Union does not.

A treaty, Mr. President, is supposed to be mutually binding, but time after time, we find that the Soviets have not bound themselves. But, we end up unilaterally binding ourselves.

That is not a wise course of action to follow, but yet we have seen it happen time and time again.

The net result of the language that we have dealing with section 233 is exactly that. We are imposing restrictions on ourselves by taking a piece of the ABM Treaty out, placing it in the middle of this authorization bill, saying "funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test antiballistic missile systems or components which are sea based, air based, space based, or mobile land based," unless a joint resolution of Congress agrees to such thing.

Certainly the Soviet Union's aggressive ABM effort is not self-restricted. If they are able to come up with a system that increases their defense capability certainly they will do so.

I echo the comments of Senator QUAYLE who asked, is it not ironic that we take only the one section of the ABM Treaty and insert it into the DOD bill? I will read article II, Mr. President which we did not put in the DOD bill, which says:

> For the purposes of this Treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of—

And then it enumerates several specific components. It did not say all future systems. You might ask why did it not include future systems. That concerns the agreed statement D, which was agreed upon there are some disagreements on what agreed statement D would do, but certainly this question has been researched by Judge Sofaer and many others. Paul Nitze, Richard Perle, and many others who were involved in the negotiations say that it limited deployment. Agreed statement D did not limit testing or development.

If you read agreed statement D, it says:

> . . . the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future . . .

Which implies to me that the negotiators anticipated that other systems to substitute for launchers and missiles would be created in the future—

> . . . specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

In other words, in agreed statement D it really says that, yes, there are going to be future systems and we will talk about them later. It did not prohibit the systems. It did not prohibit the development of those systems.

Yet by the language that we have in the bill before us with the Levin-Nunn amendment we are basically saying we are not going to do that; for the next 2 years let us not spend any money in testing and development. I think it is more restrictive, much more restrictive than what we have in the ABM Treaty.

Can it be done?

I would say, yes, Congress has the power of the purse. Congress can put all kinds of amendments on how we are going to spend money. The House of Representatives went much further. It said, "We will not spend any money dealing with sublimits of SALT II."

Yes, language such as that can be done.

So in a backward way which bothers this Senator and should bother all Senators, we basically have one or both Houses by the power of the purse say whether or not we are going to implement the treaties. Certainly that is possible. Yes, it is the President's responsibility, the administration's responsibility to conduct the negotiations of a treaty. It is the Senate's responsibility under the Constitution to ratify the treaty. It takes both Houses of Congress to fund those treaties, and there is no doubt that both Houses, yes, if they want to place undue restraints on those treaties they have the power to do so, and it will all be constitutional.

What seems ridiculous to me, though, is for the Senate to place arbitrary restraints on the United States, on our country, through the funding process when the Soviet Union does not. The Soviet Union has an aggressive SDI Program, and ABM Program. They are very active in an antiballistic missile defense system, very active. The United States has not been as active as they have. They have not only been active, they have not only interpreted the treaty to the broadest extent possible, but they have also violated the treaty, violated the treaty time and time again.

We hear statements on the floor, we even had a few Congressmen visit the Krasnoyarsk radar. We hear some say we think maybe it is a violation of the letter of the law, maybe not the intent, or vice versa.

The ABM Treaty, article VI, paragraph (b) says, "the United States and the Soviet Union agree not to deploy in the future radars for early warning of strategic ballistic missile attack except in locations on the periphery of national territory and oriented outward."

Krasnoyarsk fails in both those categories. It is a violation of the treaty.

We are nitpicking, arguing over this broad-versus-narrow, and whether or

not we are going to constrain scientists and developers of the SDI Program with very technical legal constraints. There may be a legitimate difference of opinion—I do not argue that, and I certainly do not question the sincerity of the sponsors of the amendment. But as a net result, if this amendment is implemented we will be constraining the United States and we will not be constraining the Soviet Union in any way.

Now that makes no sense. That does not work to the defense capabilities of the United States. That does not make the United States any safer. It actually increases our vulnerability. That is not a smart thing to do. That is not something we should do in this DOD bill. It is not something we should do on any other bill.

The President has stated he will veto this bill if the Levin-Nunn language is in it. He will be exactly correct in doing so. I would hope and pray that he would.

Again, let us look at what the Soviets have said. In 1972 Soviet Defense Minister Grechko proclaimed that ABM Treaty imposed "no limitations on the performance, the research, and experimental work aimed at resolving the problem of defending the country against nuclear missile attack."

Basically, he said that this treaty will not stop the Soviets from protecting their country. They adamantly protected their right to be able to develop and test systems, so they could work on developing an ABM system.

Actually, the United States negotiators sought an agreement to limit future systems. They wanted to ban testing. They wanted to ban development. They wanted to ban deployment. All they received from the Soviets was banned deployment. That was all they received. And even that part is somewhat ambiguous as far as an agreed statement D. But, they did not receive an agreement to ban all future systems.

We are getting ready to give it to them. We are getting ready to impose that limitation on the United States, but we are not going to impose it on the Soviet Union. That is what is really absurd.

The Levin-Nunn amendment is not the only thing which alarms me. It may be the only amendment we are discussing right now, but if you look at the House language on arms control issues, they want to further restrict the United States. There is no limit to the desire of many people in Congress to place restrictions on the United States without getting any comparable restrictions on the Soviet Union.

I happen to think arms control treaties can be good if you can actually get some real reductions in weapons systems and if you can make sure that both sides comply. And if they do not comply, maybe we do more than just say, as we have in the past, "Oh, they didn't comply, but we are going to continue complying."

In the case of the ABM Treaty, the Soviet Union is not complying, and is in gross violation of the treaty. They even invite a group of Congressmen to visit the grossest violation of the treaty, the Krasnoyarsk radar, and the Congressmen come back singing the praises of it.

At the same time, we have our Congress, both the House and now the Senate, trying to impose very strict interpretations of the treaty. We do not want to violate one iota of the treaty even though the Soviet Union is violating it every single day and we know it and they know it.

In my opinion, that makes it very difficult for us to be successful in the negotiating cycle, which, again, I hope that we are. We have a very competent team in Geneva and have made real progress. I hope we do come up with a treaty that really does reduce the tension and that really does reduce nuclear weapons.

But it has to be a treaty that is mutually agreed to and mutually observed. And if it is not mutually observed, if the Soviets grossly violate it or continue to violate others, I think we should note that and not take action to restrict our own development, or restrict our testing. At the same time as we are negotiating new agreements, they are wantonly, aggressively expanding their testing, expanding their development, may even be expanding their deployment in various categories while we sit on our hands. That does not increase our stability, our security, or our national interests.

The timing for this amendment and those amendments coming from the House, particularly the one dealing with SALT II sublimits, could not have come at a worse time. SALT II was never ratified. You go through the constitutional process. Yes, the Carter administration signed the SALT II Agreement, but it had to be ratified by the Senate. It was not ratified by the Senate, even though it was strongly controlled by the President's same party.

Many people, Democrats and Republicans, felt that treaty left a lot to be desired. They did not think it was equal. They did not think it would help the security of the United States. So we did not ratify the treaty. But now we have one House that is trying to mandate compliance with a particular section of the treaty, with just one section of the treaty.

Just like this language that is in this bill right now quotes from article V of the treaty, but, as Senator QUAYLE pointed out, it left out agreed statement D which dealt with future systems. In other words, we put in language that said no money whatsoever for development or testing of SDI. I will mention the language again:

> No money to test, deploy, or develop ABM systems or components which are sea-based, air-based, space-based or mobile land-based.

But it does not talk about what ABM systems are as defined in article II. It does not mention future systems as discussed in agreed statement D. So we take the most restrictive portion of the ABM Treaty and insert it in the DOD bill.

The House has done the same thing on SALT II. They have said, "Well, numerical sublimits, we mandate that. Of course we won't mention the fact that, yes, the Soviets have deployed new missiles outside the range of the treaty. We won't mention other areas where they violated the SALT II Treaty. We are going to just impose on the United States one particular section."

Again, I just fail to see the wisdom in that type of logic and the timing. The timing of this amendment absolutely could not be worse.

One of the reasons why several Senators on this side, myself included, did not want to see the DOD bill come up with this type of restriction was because we really are hopeful or optimistic that maybe we can conclude a positive, real arms reduction treaty with the Soviet Union on INF, intermediate range missiles, zero-zero. We actually want to bring down a whole category of missiles. The Soviet Union has a lot of SS-20 intermediate range missiles. They are threatening all of Europe and a lot of Asia. Let us reduce those down to zero-zero. The President made that proposal several years ago. A lot of people from time to time say it is not realistic. It is realistic. It is happening because we are persistent.

It can actually enhance security, in my opinion, if it is real. If we actually know they are destroying those missiles, not just moving them back, not redeploying them somewhere where we do not see them. We have to make sure. We have to verify. We have to actually witness those missiles being destroyed or dismantled. But we can do that. We are close to being able to do that.

I think the negotiators have made real progress in strategic systems, in the long-range systems, those that threaten the United States. And that really is in the interest of the people of the United States. That has a lot of positive appeal. And they are talking about really reducing the number of warheads. That is positive.

Some people come back and say, "Well, wait a minute. The big hangup is SDI."

The reason why the Soviets are really interested in doing something on the strategic systems is that they are concerned about SDI. They are very concerned about SDI.

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I know that my colleagues and the chairman of the Armed Services Committee, when we have gone to Geneva, we have heard the Soviet negotiators tell us time and time again, "You are not going to get anything on the strategic systems, the long-range systems, if you do not give something on SDI."

That tells you that they are concerned about SDI. They want SDI in on the table. They want to be able to negotiate it.

Well, if we are not careful we are going to give it to them.

We are not going to negotiate it, we are just going to give it to them. What sense does that make?

Do you remember canceling the B-1 bomber? Did we get them to cancel the Backfire bomber when we canceled the production of the B-1 bomber back in the late seventies? We did not get anything for it. That is what we are doing here when we end up basically handcuffing the SDI program in this manner without getting anything in return.

I happen to be an advocate of SDI. I happen to think it makes sense for us to try to develop systems capable of protecting American people, American cities, American weapons. Let us protect ourselves. Let us have weapons to destroy weapons, instruments to destroy weapons, instruments to protect our people. That makes sense. It makes eminent good sense. I do not want to see us negotiate or throw that away. I do not think we should. I certainly do not think we should throw it away without getting anything in return.

If we handicap ourselves by placing undue restrictions on ourselves that the Soviet Union does not have placed on them, that is exactly what we are doing.

I have visited with General Abrahamson. He said,

> Yes, we can conduct an SDI program under the narrow interpretation. But, yes, it is going to also be much more expensive, a lot costly, a lot more time consuming.

For what reason? Again the Soviets do not impose that kind of restraint on themselves.

For treaties to be positive they have to be mutual. It has to apply to the Soviets as well to ourselves. Frankly, in the ABM Treaty we negotiated for a strict treaty. We negotiated for a treaty that would limit future testing, development, and deployment. We did not get it.

The Soviet Union knows that and they have acted all along that this is quite obvious. The strictness is not in the treaty. But yet we are getting ready to impose it upon ourselves. I do not think that makes sense.

We should help our negotiators. They are making real progress. They have been negotiating for years. They are getting close, very close, on INF. They are not all that far away on doing something real on long-range weapons systems, as well, on the START talks.

Ambassador Lehman, in my opinion, has done an outstanding job; an outstanding job.

And I would encourage any Senator on the floor and any Senator who might be listening to contact the negotiators. Call Ron Lehman, call Ambassador Cooper, call Paul Nitze, call Max Kampelman. Ask those individuals who have been negotiating across the table from the Soviet Union what this amendment means. Ask them if we should be placing restraints on the SDI Program without even negotiating, without getting anything in return. If you will ask them, I think that they will tell you that they would much prefer to see Congress not tie their hands; to give them as much flexibility as possible.

The Soviets are concerned about this SDI Program. They are very concerned. They would love to see us limit it either through appropriations or through legislation like we are getting ready to do.

They would like to see the restraints. Do they have to trade anything? Do they have to say: We will limit any testing in these areas? The Soviets do not have to give up anything.

Did we negotiate and say, well, wait a minute. We do not want you to enhance your capabilities for defensive systems; we do not want you to be doing any testing or development for ABM systems, so we will both do this together?

Are they giving up one iota for our putting this language in? No. We are constraining ourselves. We are not constraining the Soviet Union.

To me, that is a very serious mistake; a serious mistake dealing with ABM. It would be a serious mistake if we acquiesced with the House language dealing with SALT II. It would be a mistake if we acquiesced in the House language dealing with ASAT, putting restrictions on ASAT.

All these are very important questions. The Soviets have an aggressive ASAT program. I hate to see us take unilateral positions that put us in an inferior position, either negotiating or strategically or in defense posture with the Soviet Union.

I very much want and pray to have a safer world. I happen to think we are going to be much safer when we have comparable systems and the Soviet Union knows that we possibly have systems capable of protecting ourselves.

I was shocked when I learned that we do not have systems capable of destroying incoming Soviet ICBM's. A lot of Americans do not know that. They do not know that we cannot destroy an intercontinental ballistic missile [ICBM's] coming over the polar area. We can monitor it, we can retaliate, but we cannot destroy it, and that is what we are really talking about trying to develop with SDI. We are talking about coming up systems able to destroy missiles coming over. Let us do that. Let us work on this.

You know, this is one of the things that has disappointed me concerning debate on this issue and all the technicalities dealing with broad versus narrow. This may be great for the legal counsel. They may love poring over these voluminous negotiating records. I myself have gone up, I have read some of these negotiating records. You can become tired of it very quickly.

What really bothers me is we have not spent the time talking about what enhances the security of the United States; what enhances the security of free people. What can we do?

I wonder how many Senators have really spent some time with General Abrahamson or other people in the Department of Defense asking what can we do to protect ourselves? Can we come up with capabilities, if we had an early warning system or notice that, yes, they are launching or preparing to launch? Would a President have an option? Would a President even have an option to try and destroy those incoming missiles? Or is his only option whether or not to retaliate and possibly retaliate before those incoming missiles strike? Launch before we are stricken.

This is not really a very good option. I would not want to be a Commander in Chief and have my only option be retaliation. I, personally, would like to have a defensive option. I would like it, if we had the Department of Defense be for defense, not for more and more offense. I think the mutual assured destruction [MAD] theory, which really evolved in the early sixties, is absurd.

The MAD idea that we are going to have so many offensive weapons and you have so many and we both know it will be so horribly destructive, so let us not engage in nuclear hostilities—that is dangerous. It is dangerous when you have individuals like Qadhafi or Khomeini, who may have in their hands, some day, a nuclear weapon. What kind of option does that give us?

Oh, yes, they can inflict a lot of damage on us and we can inflict more damage on them. So the population will suffer a tremendous pain and penalty because we can retaliate in a manner that is just as bad as theirs.

Would it not be much better to give the Commander in Chief an option of saying: Yes, we understand they have a weapon, but we also have some systems capable of destroying that weapon, destroying that weapon before it does significant damage to

our interests, to the interests of the free people of the world?

We have a lot of responsibility in this body, determining the outcome and course of this issue. I just think it would be a very, very serious mistake if we handicapped those persons conducting the trials, testing the efforts to develop these systems, to place constraints on ourselves that greatly exceed any constraint imposed on the Soviet Union. I think it would be a serious mistake.

So that is the reason why I think this debate has gone on and on. I, for one, will tell my colleagues that I question whether or not we should filibuster.

I think it is important for people to know this issue; to know it is important. I feel confident the President would veto.

If we do not have the votes to strike this language, although I hope that we do, let us hurry up and pass the bill. Let us let the President veto the bill and let us take it up again without it on there. I am confident we have the votes to sustain his veto. The checks and balances can work.

I think, again, the time of bringing forth this issue could not be worse. We are negotiating. There is a short period of time when we can come up with, I think, a significant INF treaty. Possibly we could do more.

I think this language, by constricting our negotiators, by constricting our SDI Program, without getting anything in return at the bargaining table, is a very, very serious mistake.

So I hope that my colleagues will join with me in support of the Warner amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized, Senator HOLLINGS.

Mr. HOLLINGS. Mr. President, in joining the debate at this time, let me express a genuine regret, Mr. President, that no longer is the U.S. Senate the world's most deliberative body.

I was privileged to be here when it truly was deliberative. Debates in those days were both educational as well as inspirational. They educated this Senator.

Indeed, that was the original purpose of the Senate. As Jefferson told Washington, out at Mount Vernon, in rejecting the idea of a unicameral legislature in favor of a bicameral legislative branch, the Senate would serve to cool passions and permit dispassionate decisionmaking. Jefferson said that just as we pour scalding tea into a saucer to cool it before drinking, so the Senate would be a body where the political passions are cooled and tempered, where issues are decided deliberatively for the good of the country.

Likewise, the intrusion of television has decreased the occasions and opportunities for genuine debate among Senators on the floor. Instead, we are either back in our offices watching floor action on TV, or we are on the floor mugging for the cameras. The other day, after I had raised a point with a fellow Senator, instead of answering me he kept looking high up to the corner of the gallery. I asked my assistant, "Where in the world is he looking—who is he talking to?"

They answered, "Don't you know, he is talking to the camera up there."

These days, we couldn't care less what a fellow Senator thinks, sees, hears, or understands. We in the South cannot learn from the North, nor the East from the West. We in rural areas cannot learn the problems and lessons of metropolitan areas. We each retreat into our parochial concerns.

Oh sure, we all agreed on the idea of government in the sunshine. Senators got elected by taking the doors off the offices. But now we have gone too far, we have become sunburned. We have gone to the extreme, to the point where you cannot get Senators' attention—particularly on matters as complex as the ABM Treaty and the strategic defense initiative.

As concerns the debate now at hand, Mr. President, the issue is not whether the administration will have a blank check. The Senator from Georgia and the Senator from Michigan 2 years ago began their backchannel assault on the strategic defense initiative. They have never supported it, Senator LEVIN has actually voted against SDI at critical junctures.

Senators have had to fight tooth and nail, not just in the authorization process, but also through the appropriations process and into the continuing resolution. Never mind the Soviets, it has taken a battle royal just to defend the United States of America here in this august body.

We have heard all this scare talk about boondoggles, costs amounting to $2 trillion, and so on. Yet all that is hoped for and all that could be hoped for at this early stage is research, development, and testing to see whether it makes any sense to even consider deployment.

We can argue ad infinitum about whether SDI will work. But, Mr. President, the best evidence on that score is what Mr. Gorbachev thinks. You might not think it will work, I might not think so, another man might have doubts but Gorbachev is a true believer. Twenty scientists cannot explain to me how a plane flies, much less how we got to the Moon, but we did it. I remember how they ridiculed Kennedy when he said we were going to the Moon.

Likewise, now we have a whole crew of self-styled peace activists. How nice to be wrapped in the mantle of peace in contrast to us warmongers.

Patrick Henry said, "peace, peace, everywhere they cry peace"—200 years ago—"but there is no peace." Well, there is peace today only because of our nuclear deterrent on the one hand, and our superiority of technology on the other hand.

I heard the Senator from Michigan talking about how his amendment was just a modest little limitation. I said, "That cannot be allowed to pass unchallenged." So here I am, and he has beat a retreat.

"If you wish for peace," as George Washington said, "you must prepare for war."

President Kennedy was a young lad in 1940, a senior at Harvard. His father was Ambassador to the Court of St. James. Traveling to Europe that summer of 1940, the question in young J.F.K.'s mind was how, after World War I and in a short 20-year period, the vanquished could have risen to challenge the victor, how the great British Empire could be brought to its knees by an aggressive Germany. Young Kennedy wrote this in his senior thesis and later published it in a book titled "Why England Slept." Kennedy noted that the argument by Germany's neighbors in the 1930's was "don't worry." After all, they said, it is just a manifestation of the humiliation that the Germans suffered in defeat. It is just German macho, nothing to worry about. Sure, they have a bunch of arms, but they haven't any place to use them. Well we soon found out that they knew exactly how and where to use these massive stockpiles of arms. The illusion was shattered by the occupations of the Sudetenland and Poland in 1939.

Today we hear striking similar arguments on the floor of the Senate. They say we need not defend ourselves or match the Soviet buildup. After all, they say, the Soviets will never use those arms.

Here in 1987, America sleeps. The peace activists are fatalistic. They say you cannot defend yourself against a missile attack. But Mr. Gorbachev believes you can. He has spent billions of rubles and 10 years of research. They have a decade-long jump on us. They are far ahead in space stations. Their astronauts stay in space for nearly a year at a time. Meanwhile, we are floundering around trying to play catchup ball amidst an obstacle course of budget constraints.

The half-thinking and wishful thinking of the 1930's is now heard here in the U.S. Senate. Kennedy wrote about it in "Why England Slept."

Likewise I hear echoes of Sir Herbert Lawson on the House of Commons saying that arms bleed social programs. Here in the Senate, they protest that we cannot affort SDI. Yet the difference in the argument is between funding at $3.2 billion or fund-

ing at $4.2 billion. How can we say, in a $3.5 trillion economy, we cannot find an additional $1 billion for research to defend ourselves?

Another shibboleth—Kennedy wrote of it in 1940 and today many in America believe it—is that arms cause war, rather then prevent war. If only we would set the example by laying down our arms and hugging and loving, we would have an international love-in. Give Gorbachev a bear hug. Kiss his glasnost. Whoopee. In this spirit, we have a delegation of Congressmen visiting Krasnoyarsk and pronouncing it harmless.

Any honest Congressman would have acknowledged he didn't know what he was looking at. They are not physicists. In contrast, our Government has action pictures from our overhead satellites. We know exactly what Krasnoyarsk will do and exactly what the violations are.

But the attitude is one of hear no evil, see no evil. We are all swept up with glasnost.

Jerry Ford said, when he was President in 1985, "Do not mention that word détente anymore." Here we are, a decade later, proclaiming whoopee, glasnost, and, after all, arms cause war.

Down in Nicaragua, they said back in 1979 that Danny Ortega was well intentioned, that we should give him aid. So we gave him aid and he kicked us in the groin, he shut down democracy. Now our entire hemisphere is threatened, but we hear the cry, "Leave Nicaragua alone. We don't want to start a war."

Similarly on trade, they fret that we might start a trade war. Well, let the record show that the first bill to pass the National Congress 198 years ago on the Fourth of July 1789 was a tariff bill on some 700 imported items. We started the trade war two centuries ago in order to build the industrial backbone of America.

So how naive can we be today? Do we not read history? Do we not understand anything about the greatness of this land?

Will we get into an arms race by researching SDI? The fact is, we are already in an arms race and we will continue to be in it. Hopefully, we will always be able to best our adversary thanks to our technology. After all, there are not as many Americans as there are Russians or Chinese. SDI is fundamental to our security.

Mr. President, I can tell you here and now that Mr. Gorbachev knows what he is doing. Gorbachev is like Louisiana politicians; they are smart; they don't just wander into office. The Presiding Officer did not get here via a beauty contest. He got here with his wits. But Brezhnev was not that smart. He thought he could terrorize and cow Europe, imposing hegemony with his SS-20 intermediate-range missiles. And he almost succeeded. He almost succeeded. You have got to give President Reagan credit for sticking to his guns, deploying Pershing II's and cruise missiles. Meanwhile, all you heard in Congress was a great hue and cry that we must not deploy the Pershing II's because it would start an arms race. Well, we deployed the Pershings and now we are on the verge of an arms-reduction agreement.

But Mr. Gorbachev with his glasnost and PR skills is infinitely more shrewd and savvy. He is going to win hegemony over Europe by taking away all of our missiles. That will leave only his 144 Red Army divisions against our 40. That is how he is going to do it. He is out to destroy political will.

That is why I voted against the Dole-Warner proposal. After all, if the Soviets can get rid of those missiles with inspections, and thereafter get rid of chemical weapons with inspections, then they have checkmated Maggie Thatcher. Meanwhile, they convert a fertilizer factory and in 6 months' time, they have built up a 10-year supply of chemical arms.

So let us not hear this story about how the Soviets are trying to save money and how their economy is in such bad shape. Let us not think that SDI has brought the Soviets to the bargaining table. They are at that arms control table because they want to be, because they have a strategy to leave the West vulnerable. We never should have toyed at Reykjavik with the idea of complete nuclear disarmament. Conventional arms have never prevented war. Nuclear weapons have.

The United Kingdom knows the value of a nuclear defense. Their conventional deterrent is negligible. But they are a secure nation thanks to their nuclear missiles. That is the only way they are going to be able to protect the British Isles, and they know that. It is no surprise, then, that they have grave misgiving about the current pell-mell rush to repair President Reagan's political standing by crippling Europe's nuclear defense. He will get his summit on arms control, and as a result we are going to sap and demoralize NATO.

Back in 1971, Senator Mansfield and I had a debate in the Senate about bargaining chips. The SALT and ABM negotiators told us categorically, "Never vote for anything as a bargaining chip. If you need it, vote for it. Support it." I repeat, the Soviets are sophisticated these days. They know what they want, what they need. They will recognize a bargaining chip and they simply will disregard it." They have far more sense than we give them credit for and here we talk naively like we are trying to protect a bargaining chip in the current negotiations over an INF Treaty. That is not the issue.

The issue plain and simple is whether we are going to trash the strategic defense initiative program. As I said, the Senator from Michigan started his anti-SDI activism 2 years ago. He persuaded our distinguished colleague, the Senator from Georgia to join him. It is dismaying to me, at this crucial hour in our history, that our leadership is writing this language in the bill: "Funds appropriated or otherwise made available to the Department of Defense during fiscal years 1988 and 1989 may not be obligated or expended to develop or test antiballistic missile systems."

Well, heaven's above, the armed service crowd is supposed to be defending the United States and they say we cannot spend any money to defend ourselves. They know that what is prevailing here will be done by a majority vote rather than a two-thirds vote. They will give us a new treaty. They also know that 2 years from now they can say "Well, we debated that and now that you are ready to do some testing, but our new, unique, restrictive interpretation of the ABM Treaty says you can't test." And, yes, SDI will be eliminated as a bargaining chip. But more important, it will be gone from our security. Look what lies ahead of us. We will have an INF Treaty that disarms Europe. There will be the overwhelming strategic offensive weaponry that already exists in the Soviet Union; there will be a Soviet defensive system in space which they are now beginning to develop. We will see the Soviet lead, we will know the Soviet lead, and we will understand the Soviet lead. And we will be subject to hegemony here in the United States. Who thinks we are going to end the world in order to save Berlin? Who thinks we are going to end the world to save any of those countries which will not defend themselves because they will not appropriate a lot of their GNP because the United States does not have a draft to show its commitment? But by that time, the Soviets will have Finlandized Europe and destroyed the United States' influence. We can then forget about Angola and our commitments in Africa. We can forget about our commitments in the Far East. We can forget about our commitments in this hemisphere because they will have taken over down in Latin America. You know, Mr. President, we cannot even find $100 million, to save freedom in the Americas, I am going to have an amendment on that based on a GAO study which I had conducted. It examines our costs in the Persian Gulf. We can find $100 million to protect oil about 7,000 miles from here, but we cannot find $100 million for freedom in our hemisphere. It is a sad thing. It is a very sad thing that we have to observe.

So the issue here is not all of these little nice sounding words in the defense bill that we want the President to come back and report to us. No, no. They do not want any kind of testing or developing of SDI technology. We will get into more of that debate later on—the successes that we have had in SDI. But I am surprised at the technology developing so far on SDI. It is very encouraging. We ought to appropriate more money to assure its continued success. That would be appreciated, and the validity of the program and various technology can either be proved or disproved.

So the issue is very, very clear here. It is not our distinguished friend Sofaer. I do not know him as well as I should. But what I do know of him, he is a professional. He is not a shield. He is not a political tool to give the administration a politicized decision. He is proud of his profession. He is proud as a former judge of the Federal courts, and he has come to the Department of State, and was given a charge. He has fulfilled that charge in a very intelligent and thorough fashion. He realized his staff had made a halfway report. The Senators from Michigan and Georgia continue to attribute to him what he corrected. And Judge Sofaer has done his job in a professional fashion.

Various Senators and I have been up on the fourth floor of the Capitol listening, learning, reading, and studying the record of the treaty. I can tell you here and now that the argument is erudite and is professional as Sofaer is, and his presentation is not the Sofaer-Nunn controversy because I know who wins on that score. Senator NUNN is popular and respected in this body, and the subject is complicated. And it is too easy to roll over and say SAM spent 3 days on this thing, presented it to the body. My colleagues tell me "I know what you are saying, but I am going to stick with the chairman of the Armed Services Committee."

So that would end the entire debate. I am afraid that is the point where we are because we cannot get, with live quorums and time given, the attention of the body. They are tied up in trade, budget, debt limit, and all the other particular bills, and in markups in the Appropriations Committee. So it is very, very easy to take this involved matter and—just as with the Judge Bork nomination—there is a parade that has already passed town. We will vote with the chairman of the Armed Services.

But I say most seriously this is a dark day for the defenses of our country. Look at what people are saying. Take Paul Nitze, whom I met I think as Secretary of the Navy for Lyndon Johnson. Here is a chief negotiator saying that you can test and develop SDI technology. Then there is Ambassador Smith saying that you can test and develop. There is General Allison saying that you can test and develop. There is Harold Brown having written that you can test and develop. There is Secretary of State Rogers at the time saying you can test and develop. There is the chairman of the Joint Chiefs of Staff, Admiral Moorer, saying you can test and develop. There is General Palmer, and he is testifying—which incidentally was left out of the Nunn presentation—saying you can test and develop the system. All of those witnesses and all of the subsequent practices go out of the window, and the Senator from Georgia is ahead because the Members won't come and listen.

I and the anti-SDI crowd won't debate. But they are good at confusing. Senator NUNN comes and says exotics. If you can find the word "exotics" in this treaty, I will jump off the dome. Now we will make a second jump off the dome. I am getting a little bit more assured because they cannot show me otherwise. I do not mind if I am wrong. Just tell me, and we will all quietly go away.

But the other strategy here is, as the Senator said on yesterday, to confuse fixed land-based and mobile systems. And the inference is from the Senator from Georgia in this confusion, that article II controls fixed land-based and article V controls mobile-based.

If we can find fixed land-based and if we can find the mobile-based systems, treated in that fashion in this treaty, I will jump off the dome.

Mr. NUNN. Will the Senator yield? I do not contend, if I may, to my friend from South Carolina, that article II controls fixed land-based. Article II is only the definitional section. It does not differentiate between fixed land-based and mobile, sea-based and air-based. Article V defines what is limited for testing and development purposes, and article V excludes fixed ground-based.

Mr. HOLLINGS. How does it exclude it? I have the treaty.

Mr. NUNN. If the Senator will read article V——

Mr. HOLLINGS. I read article V.

Mr. NUNN. I do not have it in front of me. But if the Senator will read it out loud.

Mr. HOLLINGS. All right. We will read it out loud for the distinguished chairman. Article V says each party undertakes not to develop, test or deploy the ABM systems or components which are sea-based, air-based, space-based, mobile land-based.

Mr. NUNN. That is right. The Senator just made it clear that it does not include fixed land-based. That was purposeful.

Mr. HOLLINGS. That's because fixed land-based systems are those current in 1972—defined in article II—and article V is tied to variants of those. Agreed statement D deals with futuristic systems.

Mr. NUNN. It does not say fixed land-based. Why does it say mobile land-based? Because it is fixed land-based. That is what the heart of article V means. It excluded fixed land-based but the United States wanted to be able to test and develop our fixed land-based laser systems. That was one of the goals President Nixon gave to the negotiators. So in article V we very cautiously and very carefully excluded fixed land-based.

The Senator, if he reads that, read it again and again, he will see fixed land-based is excluded there because we wanted to test and develop the land-based and we retain that right. We still retain that right.

I thank my friend for yielding.

Mr. HOLLINGS. I thank the chairman for fashioning the debate his way. As I said yesterday he confuses by throwing in ground-based exotics, not mobile, and fixed land-based. The issue is current versus future—plain and simple.

The entire argument and I am going to elaborate again, was present and future, not fixed land-based. Article II says that for the purposes of this treaty—and this defines the ABM systems—and ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory currently—currently—consisting of talking about the present 1972 as distinguished from agreed statement D, which treats the future—ABM interceptor missiles, which are interceptor missiles constructed and deployed for an ABM role or a type tested by an ABM mode, ABM launchers, which are launchers constructed and deployed for launching ABM interceptor missiles, and ABM radars, which are radars constructed and deployed for an ABM role or of a type tested in an ABM mode.

Paragraph 2 of article II further defines the ABM system components listed in paragraph 1 of this article as including those which are (a) operational, (b) under construction (c) undergoing testing, (d) undergoing overhaul, repair or conversion, or (e) mothballed—which are currently operational, currently under construction, currently undergoing testing, currently undergoing overhaul, repair, or conversion, or currently mothballed.

Now that we have gotten away from exotics, we have gotten to the crux of the argument. So let us see whether the negotiations were talking about fixed land-based as compared to mobile.

It is clear that the U.S. delegation was instructed, "Don't agree to flexibility for the future. We want a controlled future."

The entire argument was whether or not the future versus the current

could be controlled—it was not the issue of mobile-based versus land-based.

We can look at the negotiating record made at the time, because this is extremely important. The Senator from Georgia says agreement was reached on September 15, 1971 whereby future systems were controlled forever. It is in the record, and I want to get the exact quote. I quote Senator NUNN:

The negotiating record shows that the parties explicitly agreed that the restrictions on testing and deployment of mobile space-based ABMs applied to any type of present or future component of ABM systems, and this included exotics.

That was subsequent to the paragraph where he was talking about the debate they had as evidenced by the negotiating record with respect to United States and Soviet decisions on articles VI between September 15 and September 24. It is headed: "Sofaer finds that parties fail to agree on limiting exotics," in this article.

Pay close attention. Senator NUNN says,

Oh, no, that is wrong. The negotiating record said that those restrictions applied to any type of present or future components of ABM systems.

That was on September 15, and that is the distinguished chairman's categorical statement on which he bases his argument. I am going to show you the categorical U.S. memorandum of the negotiating record plus the statements made at that time.

I have looked at the record and found out first that the debate on future systems begins before September 15.

(Mr. CONRAD assumed the chair.)

On August 17, 1971, Harold Brown, one of the U.S. negotiators, and later Secretary of Defense is quoted from a U.S. ABM staff memorandum as follows:

Had we made it clear that in the first paragraph we were talking about a ban on deployment, but not on the development and testing of future kinds of systems.

He was talking about future kinds of systems, using the word "future" and not fixed land based.

Academician Shchukin of the Soviet staff said that if one could not point to specific systems in or near development status, the politicians and diplomats would probably not be interested in possibilities.

He was trying to say, "Tell me what you are talking about."

On August 24, again quoting from that record:

The sides had achieved an understanding that limitation should cover such systems of ABM defense as radars, launchers, and ABM interceptor missiles. . . . In other words, the treaty should have for its subject ABM systems which could be technically described and determined . . .

Remember the Nunn language, in his presentation, about inferentially, generically describing and implicitly inferring—I am going to get back to that. Remind me, please.

Here is Shchukin saying that it has to be technically described and determined.

"What did the U.S. have in mind in speaking of such systems as devices?"

That is the quotation from the U.S. memorandum, the negotiating record, on Shchukin, in 1971.

Here's Ambassador Smith, on August 27: "If future systems were not covered, uncertainties would increase."

Ambassador Smith was carrying out his charge, in charge of the negotiating team. He said, "Let us cover the future."

Harold Brown, on August 27, with regard to U.S. article VI—it later became V, indicated that—

Our objective in this Article 6 is to establish a commitment that neither side will deploy ABM systems—including future types of ABM systems—which might not use ABM interceptor missiles, ABM launchers, or ABM radars . . .

Again, he was trying to include future systems. He was not talking about the difference between fixed land-based and mobile systems. This is a straw man they put up and they blamed Sofaer for it. He is not responsible for it, because that is not the treaty and that is not in the record and that is not even in the treaty. The argument was over current and future. That was the entire argument.

On August 31, 1971, General Trusov:

A provision of the kind which the U.S. side has proposed would add an undesirable element of vagueness to our ABM agreement . . .

Remember what I said yesterday, that Garthoff said, "Be precise." Remember when I said Ambassador Gerard Smith said in his book it was precise. Here they are arguing a year before ratification. We ratified the treaty in August 1972, and in August 1971, when joining in this ABM Treaty, the Soviets said, "Let us not be vague."

These were lawyers. These were very careful draftsmen. They did not want vagueness, and they were not talking about fixed, land-based versus mobile-based.

I quote what Senator NUNN said yesterday. He said:

Because the Senator from South Carolina, as Judge Sofaer did to begin with in this deliberations—and he has clarified a lot of that since then—fails to distinguish between ground-based and mobile-space-air testing. Everyone agrees—and that was an American position in the talks all along—that we were going to protect our ability to test exotics as long as they were ground-based exotics, not mobile, not space, not air. This record is so confusing because people do not distinguish between the two.

If you want to study this record as thoroughly as I have, do not get confused by Senator NUNN's gymnastics.

I quote Senator NUNN again:

There is no doubt that exotics can be tested, but it is only a certain kind of exotics, and that is mobile, air, and space, that cannot.

He forms a treaty that never was ratified. You cannot find that in this treaty.

Mr. President, I ask unanimous consent that the full text of the treaty be printed at this point in the RECORD.

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

TREATY BETWEEN THE UNITED STATES OF AMERICA AND THE UNION OF SOVIET SOCIALIST REPUBLICS ON THE LIMITATION OF ANTI-BALLISTIC MISSILE SYSTEMS

[Note—Signed at Moscow May 26, 1972; Ratification advised by U.S. Senate August 3, 1972; Ratified by U.S. President September 30, 1972; Proclaimed by U.S. President October 3, 1972; Instruments of ratification exchanged October 3, 1972; Entered into force October 3, 1972.]

The United States of America and the Union of Soviet Socialist Republics, hereinafter referred to as the Parties,

Proceeding from the premise that nuclear war would have devastating consequences for all mankind,

Considering that effective measures to limit anti-ballistic missile systems would be a substantial factor in curbing the race in strategic offensive arms and would lead to a decrease in the risk of outbreak of war involving nuclear weapons,

Proceeding from the premise that the limitation of anti-ballistic missile systems, as well as certain agreed measures with respect to the limitation of strategic offensive arms, would contribute to the creation of more favorable conditions for further negotiations on limiting strategic arms,

Mindful of their obligations under Article VI of the Treaty on the Non-Proliferation of Nuclear Weapons.

Declaring their intention to achieve at the earliest possible date the cessation of the nuclear arms race and to take effective measures toward reductions in strategic arms, nuclear disarmament, and general and complete disarmament,

Desiring to contribute to the relaxation of international tension and the strengthening of trust between States,

Have agreed as follows:

ARTICLE I

1. Each party undertakes to limit anti-ballistic missile (ABM) systems and to adopt other measures in accordance with the provisions of this Treaty.

2. Each Party undertakes not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense, and not to deploy ABM systems for defense of an individual region except as provided for in Article III of this Treaty.

ARTICLE II

1. For the purpose of this Treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of:

(a) ABM interceptor missiles, which are interceptor missiles constructed and deployed for an ABM role, or of a type tested in an ABM mode;

(b) ABM launchers, which are launchers constructed and deployed for launching ABM interceptor missiles; and

(c) ABM radars, which are radars constructed and deployed for an ABM role, or of a type tested in an ABM mode.

2. The ABM system components listed in paragraph 1 of this Article include those which are:

(a) operational;

(b) under construction;

(c) undergoing testing;

(d) undergoing overhaul, repair or conversion; or

(e) mothballed.

ARTICLE III

Each Party undertakes not to deploy ABM systems or their components except that:

(a) within one ABM system deployment area having a radius of one hundred and fifty kilometers and centered on the Party's national capital, a Party may deploy: (1) no more than one hundred ABM launchers and no more than one hundred ABM interceptor missiles at launch sites, and (2) ABM radars within no more than six ABM radar complexes, the areas of each complex being circular and having a diameter of no more than three kilometers; and

(b) within one ABM system deployment area having a radius of one hundred and fifty kilometers and containing ICBM silo launchers, a Party may deploy: (1) no more than one hundred ABM launchers and no more than one hundred ABM interceptor missiles at launch sites, (2) two large phased-array ABM radars comparable in potential to corresponding ABM radars operational or under construction on the date of signature of the Treaty in an ABM system deployment area containing ICBM silo launchers, and (3) no more than eighteen ABM radars each having a potential less than the potential of the smaller of the above-mentioned two large phased-array ABM radars.

ARTICLE IV

The limitations provided for in Article III shall not apply to ABM systems or their components used for development or testing, and located within current or additionally agreed test ranges. Each Party may have no more than a total of fifteen ABM launchers at test ranges.

ARTICLE V

1. Each Party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based.

2. Each Party undertakes not to develop, test, or deploy ABM launchers for launching more than one ABM interceptor missile at a time from each launcher, not to modify deployed launchers to provide them with such a capability, not to develop, test, or deploy automatic or semi-automatic or other similar systems for rapid reload of ABM launchers.

ARTICLE VI

To enhance assurance of the effectiveness of the limitations on ABM systems and their components provided by the Treaty, each Party undertakes:

(a) not to give missiles, launchers, or radars, other than ABM interceptors missiles, ABM launchers, or ABM radars, capabilities to counter strategic ballistic missiles or their elements in flight trajectory, and not to test them in an ABM mode; and

(b) not to deploy in the future radars for early warning of strategic ballistic missile attack except at locations along the periphery of its national territory and oriented outward.

ARTICLE VII

Subject to the provisions of this Treaty, modernization of ABM systems or their components may be carried out.

ARTICLE VIII

ABM systems or their components in excess of the numbers or outside the areas specified in this Treaty, as well as ABM systems or their components prohibited by this Treaty, shall be destroyed or dismantled under agreed procedures within the shortest possible agreed period of time.

ARTICLE IX

To assure the viability and effectiveness of this Treaty, each Party undertakes not to transfer to other States, and not to deploy outside its national territory, ABM systems or their components limited by this Treaty.

ARTICLE X

Each Party undertakes not to assume any international obligations which would conflict with this Treaty.

ARTICLE XI

The Parties undertake to continue active negotiations for limitations on strategic offensive arms.

ARTICLE XII

1. For the purpose of providing assurance of compliance with the provisions of this Treaty, each Party shall use national technical means of verification at its disposal in a manner consistent with generally recognized principles of international law.

2. Each Party undertakes not to interfere with the national technical means of verification of the other Party operating in accordance with paragraph 1 of this Article.

3. Each Party undertakes not to use deliberate concealment measures which impede verification by national technical means of compliance with the provisions of this Treaty. This obligation shall not require changes in current construction, assembly, conversion, or overhaul practices.

ARTICLE XIII

1. To promote the objectives and implementation of the provisions of this Treaty, the Parties shall establish promptly a Standing Consultative Commission, within the framework of which they will:

(a) consider questions concerning compliance with the obligations assumed and related situations which may be considered ambiguous;

(b) provide on a voluntary basis such information as either Party considers necessary to assure confidence in compliance with the obligations assumed;

(c) consider questions involving unintended interference with national technical means of verification;

(d) consider possible changes in the strategic situation which have a bearing on the provisions of this Treaty;

(e) agree upon procedures and dates for destruction or dismantling of ABM systems or their components in cases provided for by the provisions of this Treaty;

(f) consider, as appropriate, possible proposals for further increasing the viability of this Treaty; including proposals for amendments in accordance with the provisions of this Treaty;

(g) consider, as appropriate, proposals for further measures aimed at limiting strategic arms.

2. The Parties through consultation shall establish, and may amend as appropriate, Regulations for the Standing Consultative Commision governing procedures, composition and other relevant matters.

ARTICLE XIV

1. Each Party may propose amendments to this Treaty. Agreed amendments shall enter into force in accordance with the procedures governing the entry into force of this Treaty.

2. Five years after entry into force of this Treaty, and at five-year intervals thereafter, the Parties shall together conduct a review of this Treaty.

ARTICLE XV

1. This Treaty shall be of unlimited duration.

2. Each Party shall, in exercising its national sovereignty, have the right to withdraw from this Treaty if it decides that extraordinary events related to the subject matter of this Treaty have jeopardized its supreme interests. It shall give notice of its decision to the other Party six months prior to withdrawal from the Treaty. Such notice shall include a statement of the extraordinary events the notifying Party regards as having jeopardized its supreme interests.

ARTICLE XVI

1. This Treaty shall be subject to ratification in accordance with the constitutional procedures of each Party. The Treaty shall enter into force on the day of the exchange of instruments of ratification.

2. This Treaty shall be registered pursuant to Article 102 of the Charter of the United Nations.

Done at Moscow on May 26, 1972, in two copies, each in the English and Russian languages, both texts being equally authentic.

For the United States of America:

RICHARD NIXON,
President of the United States of America.

For the Union of Soviet Socialist Republics:

L.I. BREZHNEV,
General Secretary of the Central Committee of the CPSU.

AGREED STATEMENTS, COMMON UNDERSTANDINGS, AND UNILATERAL STATEMENTS REGARDING THE TREATY BETWEEN THE UNITED STATES OF AMERICA AND THE UNION OF SOVIET SOCIALIST REPUBLICS ON THE LIMITATION OF ANTI-BALLISTIC MISSILES

1. AGREED STATEMENTS

The document set forth below was agreed upon and initiated by the Heads of the Delegations on May 26, 1972 (letter designations added);

Agreed statements regarding the treaty between the United States of America and the Union of Soviet Socialist Republics on the limitation of anti-ballistic missile system.

[A] The Parties understand that, in addition to the ABM radars which may be deployed in accordance with subparagraph (a) of Article III of the Treaty, those non-phased-array ABM radars operation on the date of signature of the Treaty within the ABM system deployment area for defense of the national capital may be retained.

[B] The Parties understand that the potential (the product of mean emitted power in watts and antenna area in square meters) of the smaller of the two large phased-array ABM radars referred to in subparagraph (b) of Article III of the Treaty is considered for purpose of the Treaty to be three million.

[C] The Parties understand that the center of the ABM system deployment area

centered on the national capital and the center of the ABM system deployment area containing ICBM silo launchers for each Party shall be separated by no less than thirteen hundred kilometers.

[D] In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XII and agreement in accordance with Article XIV of the Treaty.

[E] The Parties understand that Article V of the Treaty includes obligations not to develop, test or deploy ABM interceptor missiles for the delivery by each ABM interceptor missile of more than one independently guided warhead.

[F] The Parties agree not to deploy phased-array radars having a potential (the product of mean emitted power in watts and antenna area in square meters) exceeding three million, except as provided for in Articles III, IV and VI of the Treaty, or except for the purposes of tracking objects in outer space or for use as national technical means of verification.

[G] The Parties understand that Article IX of the Treaty includes the obligation of the US and the USSR not to provide to other States technical descriptions or blue prints specially worked out for the construction of ABM systems and their components limited by the Treaty.

2. COMMON UNDERSTANDING

Common understanding of the Parties on the following matters was reached during the negotiations.

A. Location of ICBM Defenses—The U.S. Delegation made the following statement on May 26, 1972:

"Article III of the ABM Treaty provides for each side one ABM system deployment area centered on its national capital and one ABM system deployment area containing ICBM silo launchers. The two sides have registered agreement on the following statement: "The Parties understand that the center of the ABM system deployment area centered on the national capital and the center of the ABM system deployment area containing ICBM silo launchers for each Party shall be separated by no less than thirteen hundred kilometers." In this connection, the U.S. side notes that its ABM system deployment area for defense of ICBM silo launchers, located west of the Mississippi River, will be centered in the Grand Forks ICBM silo launcher deployment area. (See Agreed Statement [C].)"

B. ABM Test Ranges—The U.S. Delegation made the following statement on April 26, 1972:

"Article IV of the ABM Treaty provides that "the limitations provided for in Article III shall not apply to ABM systems or their components used for development or testing, and located within current or additionally agreed test ranges." We believe it would be useful to assure that there is no misunderstanding as to current ABM test ranges. it is our understanding that ABM test ranges encompass the area within which ABM components are located for test purposes. The current U.S. ABM test ranges are at White Sands, New Mexico, and at Kwajalein Atoll, and the current Soviet ABM test range is near Sary Shagan in Kazakhstan. We consider that non-phased array radars of types used for range safety or instrumentation purposes may be located outside of ABM test ranges. We interpret the reference in Article IV to "additionally agreed test ranges" to mean that ABM components will not be located at any other test ranges without prior agreement between our Governments that there will be such additional ABM test ranges."

On May 5, 1972, the Soviet Delegation stated that there was a common understanding on what ABM test ranges were, that the use of the types of non-ABM radars for range safety or instrumentation was not limited under the Treaty, that the reference in Article IV to "additionally agreed" test ranges was sufficiently clear, and that national means permitted identifying current test ranges.

C. Mobile ABM Systems—On January 29, 1972, the U.S. Delegation made the following statement:

"Article V(1) of the Joint Draft Text of the ABM Treaty includes an undertaking not to develop, test, or deploy mobile land-based ABM systems and their components. On May 5, 1971, the U.S. side indicated that, in its view, a prohibition on deployment of mobile ABM systems and components would rule out the deployment of ABM launchers and radars which were not permanent fixed types. At that time, we asked for the Soviet view of this interpretation. Does the Soviet side agree with the U.S. side's interpretation put forward on May 5, 1971?"

On April 13, 1972, the Soviet Delegation said there is a general common understanding on this matter.

D. Standing Consultative Commission—Ambassador Smith made the following statement on May 22, 1972:

"The United States proposes that the sides agree that, with regard to initial implementation of the ABM Treaty's Article XII on the Standing Consultative Commission (SCC) and of the consultation Articles to the Interim Agreement on offensive arms and the Accidents Agreement,[1] agreement establishing the SCC will be worked out early in the follow-on SALT negotiations; until that is completed, the following arrangements will prevail: when SALT is in session, any consultation desired by either side under these Articles can be carried out by the two SALT Delegations; when SALT is not in session, ad hoc arrangements for any desired consultations under these Articles may be made through diplomatic channels."

Minister Semenov replies that, on an ad referendum basis, he could agree that the U.S. statement corresponded to the Soviet understanding.

E. Standstill—On May 6, 1972, Minister Semenov made the following statement:

"In an effort to accommodate the wishes of the U.S. side, the Soviet Delegation is prepared to proceed on the basis that the two sides will in fact observe the obligations of both the Interim Agreement and the ABM Treaty beginning from the date of signature of these two documents."

In reply, the U.S. Delegation made the following statement on May 20, 1972:

"The U.S. agrees in principle with the Soviet statement made on May 6 concerning observance of obligations beginning from date of signature but we would like to make clear our understanding that this means that, pending ratification and acceptance, neither side would take any action prohibited by the agreements after they had entered into force. This understanding would continue to apply in the absence of notification by either signatory of its intention not to proceed with ratification or approval."

The Soviet Delegation indicated agreement with the U.S. statement.

3. UNILATERAL STATEMENTS

The following noteworthy unilateral statements were made during the negotiations by the United States Delegation:

A. Withdrawal from the ABM Treaty—On May 9, 1972, Ambassador Smith made the following statement:

"The U.S. Delegation has stressed the importance the U.S. Government attaches to achieving agreement on more complete limitations on strategic offensive arms, following agreement on an ABM Treaty and on an Interim Agreement on certain measures with respect to the limitation of strategic offensive arms. The U.S. Delegation believes that an objective of the follow-on negotiations should be to constrain and reduce on a long-term basis threats to the survivability of our respective strategic retaliatory forces. The USSR Delegation has also indicated that the objectives of SALT would remain unfulfilled without the achievement of an agreement providing for more complete limitations on strategic offensive arms. Both sides recognize that the initial agreements would be steps toward the achievement of more complete limitations on strategic arms. If an agreement providing for more complete strategic offensive arms limitations were not achieved within five years, U.S. supreme interests could be jeopardized. Should that occur, it would constitute a basis for withdrawal from the ABM Treaty. The U.S. does not wish to see such a situation occur, nor do we believe that the USSR does. It is because we wish to prevent such a situation that we emphasize the importance the U.S. Government attaches to achievement of more complete limitations on strategic offensive arms. The U.S. Executive will inform the Congress, in connection with Congressional consideration of the ABM Treaty and the Interim Agreement, of this statement of the U.S. position."

B. Tested in ABM Mode—On April 7, 1972, the U.S. Delegation made the following statement.

"Article II of the Joint Text Draft uses the term "tested in an ABM mode," in defining ABM components, and Article VI includes certain obligations concerning such testing. We believe that the sides should have a common understanding of this phrase. First, we would note that the testing provisions of the ABM Treaty are intended to apply to testing which occurs after the date of signature of the Treaty, and not to any testing which may have occurred in the past. Next, we would amplify the remarks we have made on this subject during the previous Helsinki phase by setting forth the objectives which govern the U.S. view on the subject, namely, while prohibiting testing of non-ABM components for ABM purposes: not to prevent testing of ABM components, and not to prevent testing of non-ABM components for non-ABM purposes. To clarify our interpretation of "tested in an ABM mode," we note that we would consider a launcher, missile or radar to be "tested in an ABM mode" if, for example, any of the following events occur: (1) a launcher is used to launch an ABM inter-

[1] See Article 7 of the Agreement to Reduce the Risk of Outbreak of Nuclear War Between the United States of America and the Union of Soviet Socialist Republics, signed Sept. 30, 1971.

ceptor missile, (2) an interceptor missile is flight tested against a target vehicle which has a flight trajectory with characteristics of a strategic ballistic missile flight trajectory, or is flight tested in conjunction with the test of an ABM interceptor missile or an ABM radar at the same test range, or is flight tested to an altitude inconsistent with interception of targets against which air defenses are deployed, (3) a radar makes measurements on a cooperative target vehicle of the kind referred to in item (2) above during the reentry portion of its trajectory or makes measurements in conjunction with the test of an ABM interceptor missile or an ABM radar at the same test range. Radars used for purposes such as range safety or instrumentation would be exempt from application of these criteria."

C. No-Transfer Article of ABM Treaty—On April 18, 1972, the U.S. Delegation made the following statement:

"In regard to this Article [IX], I have made a brief and I believe self-explanatory statement to make. The U.S. side wishes to make clear that the provisions of this Article do not set a precedent for whatever provision may be considered for a Treaty on Limiting Strategic Offensive Arms. The question of transfer of strategic offensive arms is a far more complex issue, which may require a different solution."

D. No Increase in Defense of Early Warning Radars—On July 28, 1970, the U.S. Delegation made the following statement:

"Since Hen House radars [Soviet ballistic missile early warning radars] can detect and track ballistic missile warheads at great distances, they have a significant ABM potential. Accordingly, the U.S. would regard any increase in the defenses of such radars by surface-to-air missiles as inconsistent with an agreement."

Mr. HOLLINGS. Mr. President, I thing it is good that you can see the treaty and hear from the record because you can see the entire debate was between current and future.

I want to go a little further. On September 8, 1971, Karpov told him it was wrong to limit means not known to anyone. You see, as to future systems, they did not know what they were. They were differentiating between fixed land-based and mobile. They were thinking of lasers, particle beams, and fixed-base stations.

But the issue was not fixed land-based versus mobile whatever—absolutely not. He was talking about things he did not know, and you can tell throughout the debate that the Soviet team was trying to get to the point under the U.S. would be definative in its statement.

They said; "We are not going to cover those uncertainties; tell us what you are talking about."

Karpov said he believed it was wrong to limit means not known to anyone. Up to now, he noted, the subject of our discussions was limitations on concrete and specific ABM systems which might exist and could be verified by national means. We should adhere to this subject in the future too. He noted that appropriate procedures for handling these questions are envisaged. The Standing Consultative Commission would consider additions and amendments.

And that is what they finally put in agreed statement D.

Graybeal on that same date, September 8, 1971, says—well, he felt also you can go ahead. He felt that an operative article indicating clearly the objectives with regard to future systems would be far more useful than merely referring these questions to the Standing Commission.

He still is trying hard on behalf of the United States and trying to get the future included.

On September 13, 1971 Col. Fedenko reiterated the standard Soviet arguments against including any general provisions on future undefined ABM systems.

That is not fixed land based versus mobile. That is a whole big bollix of argument here that just does not pertain. There is no evidence for that.

Admittedly they use that expression from time to time. The military comes up and still talks in these military kinds of terms. But the great thing in issue between the negotiating teams was whether future systems could be controlled, and our team was charged to control the future, and the Russians were saying absolutely not and they succeeded.

On September 17—after the September 15 date that Senator NUNN said settled the issue—Ambassador Smith had the feeling that the Soviet position on article II reflected a desire that nothing be done to prejudice the Soviet position on the issue treated in paragraph 1 of article VI which concerned future systems.

The Soviet negotiator, Semenov, on that same date, stated that ". . . bearing in mind that inclusion of uncertainties in an agreement would surely lead to all sorts of misunderstandings in the future," . . . with reference to the U.S. position on article VI, ". . . where we were trying to control the future, . . ." he would not care to say any more. This problem would be kept in his field of vision for the next Vienna phase.

Then on September 20, the U.S. negotiator Garthoff, stated that there would remain seven points of difference, including a provision to cover future "unconventional" ABM systems.

They talk of unconventional. It was not fixed land-based and mobile. That is not the argument here that Senators LEVIN and NUNN put out. No. We should not bite on that bait whatsoever. It concerns future systems versus current systems. That was the whole debate and that is on September 20 when Senator NUNN said it was all settled on September 15.

And Shchukin on November 30, the Soviet side, and I quote from the United States negotiating memorandum, "The Soviet side cannot recognize as well-founded the proposal of the United States involving an obligation not to deploy ABM systems using devices other than . . . missiles, launchers, radars. The subject of a treaty could only be a specific and concrete limitation on ABM systems."

And so there you were. I could also include the statements from memoranda of December 7, 10, 14. Paul Nitze noted in connection with Shchukin's comments on future systems that the Soviet had emphasized the inappropriateness—of this subject for treaty language.

On December 14—3 months after Senator NUNN said it was settled in his presentation, the scholarly presentation—the negotiators are still arguing. Semenov said "Although Dr. Brown said the question of future ABM systems, which do not include launchers, radars and interceptors . . . I would like to ask what this is all about in concrete terms." This is Semenov, the Soviet negotiator. "In what does the U.S. side see a danger in the absence of a provision on this account in the treaty?" he asked.

I quote again, "If these systems cannot be defined now"—Senator NUNN defines them—here is a negotiator, the Soviet one, and I quote, "If these systems cannot be defined now, except that they are not something known today, and, at the same time, the draft treaty includes a number of clear limitations and constraints not to deploy territorial ABM systems, not to give the capability for rapid reload, et cetera, is it not sufficient to have such limitations?"

Quoting still from Semenov, "To be sure, including in the treaty a provision covering something that is not known cannot be justified by any considerations, and therefore this proposition cannot be the subject of a treaty."

They would not agree to future systems. They just would not agree. We tried all that fall period. You remember the President went over to Europe, I think it was early in 1972. Henry Kissinger was there and they worked over the SALT I Treaty overnight. They worked to 5 o'clock in the morning.

On December 17, Garthoff, our man said, and I quote from the staff memorandum, "On future ABM systems, I suggested to Kishilov the possibility of a new approach to meeting the issue. Perhaps it would be possible to have a clear and explicit understanding, for example, in an agreed minute, that neither side would deploy a future ABM system or components without prior consultation and mutual agreement in the Standing Consultative Commission.

Now you see how they are beginning to come around to agreed statement D, that they finally agreed on in May. They started thinking in these terms,

having put it off all fall, in December 1971, and they sealed it in May 1972.

Garthoff said again on December 17, "Grinevsky referred to the conversation I had had that morning with Kishilov concerning a possible alternative approach to handling future ABM systems . . . handling these matters through the Standing Consultative Commission, rather than through explicit treaty provisions, offered a possible resolution to our differences."

Then, Mr. President, I am not going through the entire thing—I will put it all in the RECORD here.

But the December 20, U.S. staff memorandum quotes Semenov as follows:

Suppose that the draft treaty . . . had a provision on limiting systems other than those now known which use interceptors and launchers . . . such a provision would create the grounds for endless arguments, uncertainties. . . . He asked if the goal of the two delegations isn't just the opposite, that is to reach agreement on limiting known ABM systems. . . . Certainly such limitations on known ABM systems constitute a factor for relaxing international tension and curbing the race in strategic arms and limiting them. . . . How then could an ABM Treaty include a provision about whose content the sides do not have the vaguest notion?

Oh, oh under Senator NUNN they had a notion, it was fixed land-base versus mobile. That is absolute nonsense. These negotiators said "We just don't know whatever they would come up. How can we limit the unknown?"

The Soviets demurred.

I quote still from Semenov:

The sides cannot and must not engage in discussion of questions not known to anyone. The task faced by the two sides is to erect reliable barriers against deployment of known ABM components in excess of the levels defined by the ABM Treaty. . . . If it should appear necessary to supplement the ABM Treaty by a provision prohibiting or limiting other ABM components in addition to those now known, this can be done in accordance with the procedures provided for in provision on review.

And I will jump now to January 11, 1972, to save the time of the Senate.

January 11, 1972. Grinevsky said that the treaty referred to ABM systems which were defined in Article II. It could not deal with unknown other systems.

Garthoff challenged this interpretation on two grounds: first, the treaty dealt not only with ABM systems compromising components identified in Article II, but all ABM systems;

That is what he was trying to contend.

Second, the issue did not concern "other" systems but rather future ABM systems . . . .

See, even our own negotiators were talking about future. They were not talking about fixed land-based versus mobile.

I am quoting again from Garthoff on January 11:

However, what Garthoff was referring to—and the U.S. was particularly concerned about—was precisely ABM systems and components of some new kind in the future. Garthoff repeated his reference to laser ABM interceptors as an example.

See, now fixed land-based, not mobile. After the Senator from Georgia said it was all agreed to back in September and that is what we should deal with in fixed land-based and mobile. Here in January, our own negotiator is talking about laser ABM interceptors. That is what Senator Goldwater asked General Palmer. That is what was in the Armed Service report. That is what we were talking about.

Grinevsky, on January 14, the statement reads—and, let me read it exactly.

January 14, 1972, Grinevsky produced a Soviet draft, based closely upon (but not identical with) the statement made in the meeting that morning by Academician Shchukin. The statement read:

"With a view to ensuring the implementation of the provisions contained in Articles I and III of the Treaty on the limitation of ABM systems, the Parties agree that in the event of the emergence.

They were talking about the emergence and they intermittently used the word "create" where we would use "test and development."

In the event of the emergence of ABM systems based on other principles questions of their limitation may be discussed further in accordance with Articles XIII and XIV of the ABM Treaty."

And then from General Allison, on February 1, 1972:

We also appear to agree that substituting a different component for one of these three in the future would result in a "future" or "other" ABM system. It seems that . . . our Delegations should be able to agree on a set of words for the interpretive statement.

Mr. President, I know I have belabored the Senate, but you have to be specific. We are asked to interpret the treaty and this bill gives us a new treaty to ratify with this little amendment. And it is an awfully, awfully dangerous precedent and dangerous to the security of the country.

Let me read one final quotation from Garthoff, on February 1. You can see how he got to agreed statement D.

February 1, 1972. Garthoff: Grinevsky called to say that he believed his Delegation could accept the proposal if the words "based on other physical principles and" were included before the phrase "including components."

So we got to Agreed Statement D to the treaty, and I will read it:

In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such system and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Mr. President, I ask unanimous consent that all of the references herein be printed in the RECORD.

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

FUTURE ABM SYSTEMS

Soviet Rejections/Questions From Negotiations Record—Regarding Future ABM Systems Leading to Development of Agreed Statement D.

1. August 17, 1971. Brown: Had we made it clear that in the first paragraph we were talking about a ban on deployment, but not on the development and testing of future kinds of systems. (No mention of fixed, land-based systems.)

Shchukin: If one could not point to specific systems in or near development status, the politicians and diplomats would probably not be interested in future possibilities.

2. August 24, 1971. Shchukin: The sides had achieved an understanding that limitations should cover such systems of ABM defense as radars, launchers, and ABM interceptor missiles. . . . In other words, the treaty should have for its subject ABM systems which could be technically described and determined. . . . What did the U.S. have in mind in speaking of such ABM systems (refers to other devices in U.S. proposed Article VI) and such devices?

3. August 27, 1971. Minister Semenov: It was his impression that it was doubtful if it (the U.S. proposal on other devices) properly applied to the subject matter of an agreement on ABM limitations.

Ambassador Smith: If future systems were not covered, uncertainties would increase.

Brown: Our objective in this Article 6 is to establish a commitment that neither side will deploy ABM systems—including future types of ABM systems—which might not use ABM interceptor missiles, ABM launchers, or ABM radars.

4. August 31, 1971. General Trusov: Did not consider it reasonable or necessary to include a provision covering what he called undefined ideas, maintaining that the provision in both the U.S. and Soviet drafts for review and amendment would be sufficient . . . a provision of the kind which the U.S. side has proposed would add an undesirable element of vagueness to our ABM agreement.

5. September 3, 1971. General Trusov: The U.S. side's objective in including a paragraph in Article 6 to provide obligations not to deploy ABM systems, including future systems, which use components other than ABM launchers, interceptors, and radars is not clear. What is, in fact, involved is conjectural systems, i.e., some possible future systems not now known to anybody . . . the U.S. side proposes to include in a draft treaty limitations on the deployment of such systems or components not known to anybody. The Soviet side does not believe that it is correct to include such limitations.

Smith: Without an agreement on future systems . . . it would be a cruel illusion to the peoples of both nations to say that we had concluded an agreement on ABM systems.

6. September 8, 1971. Col. Fedenko: If ABM means different from those presently known . . . should be detected by national means, the problem could be examined by the Standing Commission.

7. September 8, 1971. Karpov: Believed it was wrong to limit means not known to anyone. Up to now, he noted, the subject of our discussions was limitations on concrete and specific ABM systems . . . which might exist and could be verified by national means . . . we should adhere to this subject in the future too. . . . He noted that appropriate procedures for handling these questions are envisaged . . . the Standing Consultative Commission would "consider" . . . additions and amendments.

Graybeal: He felt that an operative article indicating clearly the objectives with regard . . . to future systems would be far more useful than merely referring these questions to the Standing Commission. . . . He noted that the texts (referring to paragraph 2 of U.S. proposed Article VI and Soviet Article V) were similar with two exceptions . . . the U.S. text refers to future devices, and reflects the basic difference in view (referring to future ABM systems) which we have been discussing in relation to paragraph 1 of the U.S. Article 6.

Graybeal: Asked whether the language of the Soviet working paper (responding to U.S. Article VI.2.) covered devices other than ABM launchers, interceptors, and radars . . . and whether transportable systems or components would be considered as mobile systems or components.

Barlow: "Said that by transportable systems" we mean interceptors, launchers, and radars.

Karpov: Said he would review the U.S. remarks . . . wished to ask however whether the term mobile included the term transportable . . . asked if this also applied to sea-based, air-based, and space-based systems. Graybeal responded affirmatively.

8. September 13, 1971. Col. Fedenko: Reiterated the standard Soviet arguments against including any general provisions on future undefined ABM systems.

9. September 15, 1971. Karpov: Argued that the new formulation of Soviet paragraph 1 (U.S. paragraph 2) of Article 6 (V) obviates the requirement for the phrase "other devices for performing the functions of these components" appearing at the end of U.S. paragraph 2.

10. September 17, 1971. Smith: Had the feeling that the Soviet position on Article 2 reflected a desire that nothing be done to prejudice the Soviet position on the issue treated in paragraph 1 of Article 6.

Semenov: Bearing in mind that inclusion of uncertainties in an agreement would surely lead to all sorts of misunderstandings in the future . . . with reference to the U.S position on Article VI . . . he would not care to say any more . . . this problem would be kept in his field of vision . . . for the next Vienna phase.

11. September 20, 1971. Garthoff: Stated there would remain seven points of difference including a provision to cover future "unconventional" ABM systems.

12. November 30, 1971. Shchukin: The Soviet side cannot recognize as well-founded the proposal of the U.S. involving an obligation not to deploy ABM systems using devices other than . . . missiles, . . . launchers, . . . radars . . . The subject of a Treaty (Agreement) could only be a specific and concrete limitation of ABM systems.

13. December 7, 1971. Garthoff: On Article V, both sides reiterated the strong positions which they hold on the question of the paragraph relating to future systems. . . . Kishilov and Grinevsky flatly asserted that they were certain there would be no change in the position of the Soviet side.

14. December 10, 1971. Brown: The Soviet side has objected to limits on possible future ABM systems on the basis that such systems are defined only in general terms.

15. December 14, 1971. Nitze: Noted in connection with Shchukin's comments . . . on future systems he had emphasized the inappropriateness of this subject for treaty language.

16. December 14, 1971. Semenov: Although Dr. Brown said that the question of future ABM systems, which do not include launchers, radars, and interceptors . . . I would like to ask what this is all about in concrete terms. In what does the U.S. side see a danger in the absence of a provision on this account in the treaty? If these systems cannot be defined now, except that they are not something known today, and, at the same time, the draft treaty includes a number of clear limitations and constraints not to deploy territorial ABM systems, not to give the capability for rapid reload, etc., is it not sufficient to have such limitations? To be sure, including in the treaty a provision covering something that is not known cannot be justified by any considerations, and therefore this proposition cannot be the subject of a treaty.

17. December 17, 1971. Garthoff: On future ABM systems, I suggested to Kishilov the possibility of a new approach to meeting the issue. Perhaps it would be possible to have a clear and explicit understanding, for example, in an agreed minute, that neither side would deploy a future ABM system or components without prior consultation and mutual agreement in the Standing Consultative Commission.

18. December 17, 1971. Garthoff: Grinevsky referred to the conversation I had had that morning with Kishilov concerning a possible alternative approach to handling future ABM systems . . . handling these matters through the Standing Consultative Commission, rather than through explicit treaty provisions, offered a possible resolution to our differences.

19. December 20, 1971. Semenov: Suppose that the draft treaty . . . had a provision on limiting systems other than those new known which use interceptors and launchers . . . such a provision would create the grounds for endless arguments, uncertainties . . . He asked if the goal of the two Delegations isn't just the opposite, that is to reach agreement on limiting known ABM systems . . . certainly such limitations on known ABM systems constitute a factor for relaxing international tension and curbing the race in strategic arms and limiting them . . . how then could an ABM treaty include a provision about whose content the sides do not have the vaguest notion? . . . Could the sides include in an ABM treaty the unknown without risk of making the treaty indefinite and amorphous? . . . The sides cannot and must not engage in discussion of questions not known to anyone. The task faced by the two sides is to erect reliable barriers against deployment of known ABM components in excess of the levels defined by the ABM treaty . . . If it should appear necessary to supplement the ABM treaty by a provision prohibiting or limiting other ABM components in addition to those now known, this can be done in accordance with the procedures provided for in the provision on review.

20. December 20, 1971. Grinevsky: Raised the question of dealing with future ABM systems through statements on the record.

Garthoff: noted that the suggestion he had advanced in this respect was for an agreed minute . . . there must be a clear agreed mutual understanding that, prior to any deployment of future systems . . . there would be consultation and agreement in the Standing Consultative Commission.

21. December 21, 1971. Grinevsky: Asked if the American side had proposed language for the suggested separate agreed understanding on future ABM systems.

Garthoff: Said he could provide an illustrative draft statement . . . as a possible solution to the impasse over the American proposal for a third paragraph in Article V. The Soviet Delegation has said on several occasions that it is opposed to the proposal by the United States to include a provision in the ABM agreement prohibiting ABM systems in the future which would use devices other than ABM interceptor missiles, ABM launchers, or ABM radars to perform the functions of those components. In order to contribute to negotiating progress, while maintaining our basic position on this matter, the U.S. side is willing to drop Article V(3) if there is a clear agreed understanding as part of the negotiating record. An Agreed Minute could read as follows:

The Parties agree that the deployment limitations undertaken in Article I and Article III are not to be circumvented by deployment of components other than ABM interceptor missiles, ABM launchers, or ABM radars for countering strategic ballistic missiles in flight trajectory. They agree that if such components are developed and the question of deployment arises, neither side will inititate such deployment without prior consultation and agreement in the Standing Consultative Commission.

22. January 11, 1972. Shchukin: The Soviet side continues to believe that only quite specific ABM system components of which each side had a clear idea could be included in an ABM treaty. . . . For this reason the Soviet delegation continues to consider this point "not suitable" for inclusion in the draft ABM treaty we were negotiating.

Nitze: Said he had understood from Shchukin's remarks that he believed that if ABM components other than radars, interceptors and launchers were developed, they could appropriately be the subject of consultations under Article XIII. However, if such components were developed and could, in fact, be deployed in a manner to circumvent the specific limitations of Article III of the treaty, would it not be appropriate that they also be subject to agreement between our Governments?

23. January 11, 1972. Grinevsky: Said that the treaty referred to ABM systems which were defined in Article II. It could not deal with unknown other systems.

Garthoff: challenged this interpretation on two grounds: first, the treaty dealt not only with ABM systems compromising components identified in Article II, but all ABM systems; second, the issue did not concern "other" systems but rather future ABM systems. . . . However, what Garthoff was referring to—and what the U.S. was particularly concerned about—was precisely ABM systems and components of some new kind in the future. Garthoff repeated his reference to laser ABM interceptors as an example.

24. January 14, 1972. Trusov: Affirmed the Soviet position that it is premature to discuss limiting systems which are now nonexistent, and that if and when such systems appear then limitation would be subject to discussion under the provisons of Articles XIII and XIV of the Draft ABM Treaty.

25. January 14, 1972. Shchukin: Said he had a very brief comment to make. At the January 11 meeting, Mr. Nitze had asked the question whether so-called "other ABM means" would be a subject not only for appropriate consultation but also for agreement. Both sides agree that they should assume obligations not to deploy ABM systems except as provided in Articile III of the draft ABM Treaty. In order to insure implementation of this provision of the Treaty, the sides could, in the event of the emergence of ABM systems constructed on the basis of other physical principles, further discuss the question of their limitation in accordance with Articles XIII and XIV of the draft ABM Treaty.

26. January 14, 1972, Grinevsky: produced a Soviet draft, based closely upon (but not identical with) the statement made in the meeting that morning by Academician Shchukin. The statement read:

"With a view to ensuring the implementation of the provisions contained in Articles I and III of the Treaty on the limitations of ABM systems, the Parties agree that in the event of the emergence of ABM systems based on other principles questions of their limitation may be discussed further in accordance with Articles XIII and XIV of the ABM Treaty."

27. January 26, 1972, Grinevsky: in response to the latest proposed U.S. language on the Agreed Interpretive Statement on future ABM systems strongly urged that the American side not pursue this proposed addition, i.e., a clause reading to perform the functions of ABM interceptor missiles, ABM launchers, or ABM radars. He also commented that his side had now accepted the earlier American formulation completely, and in fact had accepted the American position on the subject entirely, save only that it would be a jointly agreed interpretation rather than a paragraph in the treaty.

Draft Interpretive Statement on Future ABM Systems: In order to insure fulfillment of the obligation not to deploy ABM system components except as provided in Article III of the Treaty, it is agreed that in the event ABM system components other than ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such system components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

28. January 31, 1972, Garthoff: I suggested that perhaps we need a fresh approach, first survey the problem and see if we agreed on the substance of the matter—which I believed we did—and then find appropriate language to express this agreed position. Grinevsky saw that I was speaking from prepared notes and seemed interested. I thereupon gave him a copy . . . after reading the talking points, Grinevsky said that he believed there was complete agreement.

Garthoff Talking Points: It is understood that both sides agree that:

1. ABM systems and their components, as defined in Article II, should not be deployed except as provided for in Article III.

2. The deployment of ABM system components other than ABM interceptor missiles, launchers, or radars to perform the functions of those components is banned.

3. Devices other than ABM interceptor missiles, ABM launchers, or ABM radars could be used as adjuncts to an ABM system provided that the devices could not perform the functions of and substitute for ABM interceptor missiles, ABM launchers, or ABM radars. For example, a telescope could be deployed as an adjunct to an ABM system, whereas a laser for performing the function of an interceptor missile by rendering ineffective a strategic ballistic missile in flight trajectory could not be deployed.

4. Article III should be drafted so as not to permit the deployment of devices other than ABM interceptor missiles, ABM radars to substitute for and perform their functions.

5. If such devices are created in the future, their deployment could be provided for by limitations subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV.

29. February 1, 1972. Allison: I observed that both sides have had a clear understanding for some time that within the context of our negotiations when we speak of an ABM system we are referring to a system made up of three components—ABM launchers, ABM interceptor missiles, and ABM radars. We also appear to agree that substituting a different component for one of these three in the future would result in a "future" or "other" ABM system. It seems that . . . our Delegations should be able to agree on a set of words for the interpretive statement.

30. February 1, 1972. Nitze: It seemed to me to be most likely that if something new were to become possible in the future, that this would be of such a nature as to substitute for either launchers or interceptors or radars, but not for all three.

Shchukin: said that if a new system were developed which could substitute either for radars or for interceptor/launchers, this would be a new system and, as such, subject to Articles XIII and XIV.

31. February 1, 1972. Garthoff: Grinevsky called to say that he believed his Delegation could accept the proposal if the words "based on other physical principles and" were included before the phrase "including components."

AGREED STATEMENT D TO THE TREATY

In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Mr. HOLLINGS. Mr. President, I have as thoroughly as I know how gone down chapter and verse to clear up this nonsense about exotics. I have also tried to clear up this nonsense that we do not understand the treaty because mobile is the thing or land-based is or fixed land-based is not or mobile is not and the like.

The debate is on current or future systems. That is the differentiation.

Now, what happens: We go into all of the language and to the Senators in the ratification. And I could go at length, but maybe we will speak a little bit more after we join in debate here.

We had the distinguished Senator from Mississippi as the chairman of the Armed Services Committee when the treaty was ratified. And if there is any doubt about what Congress had in mind and whether or not future systems were limited, let me point out one interesting fact. The very same Senate that ratified the treaty—the restrictive treaty we are told—provided just the opposite. I say this because we continued after the treaty to appropriate funds for future R&D technology without limiting it to fixed land-based systems. For fiscal year 1973, for the Army's Laser Technology Program, we appropriated $11.9 million for the Navy's high energy laser, $18.2 million; for the Air Force; strategic laser technology, $1.3 million; and for the DARPA short-wave laser technology program; $20 million.

Now, Mr. President, we continued funding and we still hear that Senator Jackson had been told "no future systems." Let us assume that they are correct—and I know they are incorrect. In fact, on the debate, Senator Jackson never even mentioned the ABM Treaty. He did ask some questions. He used the phrase fixed land-based at times, as the generals did from time to time. But, generally speaking, all of the negotiations were on current and future. Senator NUNN only quotes eight Senators who asked about future systems and the majority of them agreed with the Senator from South Carolina if you look carefully at the words used. In all candor I did not listen to them. I came to the floor, and they did not listen to me. The entire debate was 6 hours on August 3, 1972.

There was none of this, whether it is a broad interpretation or the narrow interpretation; never all that nonsense about exotics. That is not in the treaty. The debate was and is current and future.

But there could not be any doubt. That same Congress, Senator Jackson, Senator STENNIS, handling the defense authorization bill, the very one that we are discussing now for fiscal 1988, they provided all of these amounts for all of the future systems, that now the Senator from Georgia says in his amendment you cannot test and you cannot develop, which we could in 1973.

And what about 1974? Army laser technology, I say to Senator STENNIS, Army laser technology, $11.7 million. The Navy's high energy laser, $19.5 million; The Air Force's strategic laser technology, $3 million; DARPA's short wave laser technology, $17 million, that's $51.7 million.

I will never forget, because we argued this on another particular point relative to President Reagan's Strategic Defense Initiative Program.

He certainly made SDI exotic, we used to call it the Ballistic Missile Defense Program. Senator WALLOP, and I were vitally interested in the BMD Program. I was on the Defense Appropriations Subcommittee. By the time President Reagan took office in 1981-82, I say to the Senator, we had nearly $1 billion in research and development for BMD.

We have an entirely new technology now. But we were pressing and shoving President Carter to get into space because we could see the Soviets in space.

That is why we were so vitally interested in it and why we were pressing the subject at that time. All of a sudden, President Reagan comes in and takes the ball and calls it the Strategic Defense Initiative [SDI] Program. He is going to have an umbrella. He is going to end all nuclear—peace in our time. He overdescribed it and everybody said that is unrealistic and everything else. He, in his zeal and over-description about the particular subject, almost killed it.

The DOD took the Army BMD Program from Huntsville, AL, upgraded it, put it in the Air Force's hands, labeled it SDI and peace in our time, and we had an umbrella defense. And we are going to give our research to the Soviets. Well, that is nonsense. And that is why you cannot make sense, because the client, President Reagan, cannot make up his mind now.

Give me a client like Ollie North. He knows what he is doing. That is why North was so good. He had clearance. He knew what his mission was and he did it. In this whole debate, I cannot tell you whether President Reagan agrees with the ABM Treaty or not. I do not know. I would love to find out because I could make a powerful argument one way or the other. He leaves me in limbo.

What kind of nonsense do we have here with the chairman of the Armed Services Committee coming along and saying you cannot commit yourselves—the President himself says about a treaty: "I can't make up my mind, but by the way, I am going to veto it." I do not know what he is going to veto, because he might, by then, agree with it.

Mr. President, this whole nonsense started back in March. I want to quote this one thing so everybody will understand exactly what the distinguished Senator from Georgia contended and he cannot change it. Here is what he says.

I refer, if you please, Mr. President, to March 11 the CONGRESSIONAL RECORD of the U.S. Senate on page S2975. It is in the middle of the page, right at the top—talking about ABM(c).

ABM radars, which are radars constructed and deployed from an ABM mode.

And so forth.

Then next Senator NUNN says under the title "Traditional interpretation."

Article II defines the term ABM system generically.

False, absolutely false. It does not do it generically. It does it explicitly.

Garthoff said, and I put it in the RECORD: "We have got to be precise."

Ambassador Gerald Smith in his book said, "precisely drawn." The Soviets complained as we negotiated, let us not put anything in that is vague. Everything was precise. Nothing is generic but I will read on. We have got to correct this.

Senator NUNN says:

Article II defines the term "ABM system" generically as a system which has the function of countering strategic ballistic missiles. The definition then lists as an illustration the components "currently" in use at the time of the agreement.

Not as an illustration but to specify. Words of specificity. Not just an illustration. You have to go along with the dance. You have to get in the rhythm to read this particular interpretation. I quote:

Because the clause listing the components is only illustrative—

Who said only illustrative?

it does not limit the term ABM systems to those containing such components—

When it did. He says it does not limit ABM systens to those containing such components. "It also means,"—listen to that—

it also means that the term implicitly covers future systems.

There is the treaty. We put it in the Record. We will read it again for you because, if you cannot find anywhere therein, Mr. President, where it says, as the distinguished chairman of the Armed Services Committee contends, that it only means that the term "implicitly" covers future systems. Let me quote again from Senator NUNN:

Consequently, future ABM systems that might use different components, that is exotics, are within the definition.

That is totally false. Totally false. Absolutely misleading.

Any study of this record will reveal, be it the ratification records be it the negotiation record be it the subsequent practices record; and more than anything else, be it the treaty itself, that there is nothing about exotics and that Article II does not cover future systems. It is misleading to state the opposite.

If article II covered futures, then what is the agreed statement D for? Why did they go from August—from July, really, of 1971 over this same point, until May of 1972, and finally get the argument concluded by this particular provision?

In order to ensure fulfillment of the obligation not to deploy—

It does not say testing and developing.

not to deploy ABM systems . . . the parties agree that in the event ABM systems based on other physical principles—

It does not say land-based, fixed land-based, mobile-based—it said "other physical principles." That means they did not know what it could be—"created in the future." Why would they put in "created in the future" to be controlled by agreed statement D if article II covers future systems, We know it does not cover future systems.

I just cannot go along with this charade. They have been caught off base. They know it because they are not out here arguing against what I am saying.

They will not take the floor and argue against what I am saying. I want to hear them. I am right here. I will be glad to stay here all evening and I want to hear their arguments against the presentation I have made because there has been a lot of work in this thing. It is conscientiously done. If I am wrong, I will apologize, but I can tell you here and now, I am afraid I am not.

What we are doing is rewriting a treaty with a simple amendment in an authorization bill. What the Constitution requires by a two-thirds vote, this amendment will do by a simple majority vote and allow the House of Representatives to join in where it does not belong. If this is not the destruction of the process, I do not know what it is.

The 1972 Antiballistic Missile Treaty is a remarkably straightforward document—a model of "precise"—negotiator Garthoff—English as spoken by very careful lawyers, meticulously crafted over a year's time. For a decade and a half, there was no significant argument concerning its meaning and intent.

Today, however, that placid unanimity has been shattered. Debate rages between two creative new "interpretations" of the ABM Treaty—one tailored to suit the political agenda of the left and another championed by the right. The left's "narrow" view is that the treaty bans development, testing, and deployment of ABM systems such as the strategic defense initiative. The right counters with the interpretation that, in effect, anything goes; we can deploy SDI next week and still abide by the Treaty.

What is lost sight of in this debate is the explicit, commonsense text that was agreed to in 1972. The ABM Treaty is not a bolt of cloth we can cut to fit this or that political fashion. As one who voted for the ABM Treaty, I am dutybound to speak up for the integrity—the explicit meaning—of the Treaty as it was originally negotiated and understood by the Soviet and United States negotiators.

The treaty interpretation touted by the "deploy now" faction failed to gain a wide following and has been success-

fully beaten back into its cave. But the "narrow" view, championed by Senator SAM NUNN is alive and kicking. It is mischievous nonsense that cries out for rebuttal.

Senator NUNN bases his new interpretation on statements made during the 1972 ratification process in the Senate. He insists that the treaty's meaning is determined not by the literal text of the treaty or by the negotiating record, what the Soviet and American negotiators actually said and aagreed to, but by the ratification record, for example, what Senators said during debate on the treaty. This deference to the ratification record—questionable on its face—is made doubly dubious by the fact that there was next to no floor debate on the ABM Treaty. Senators debated the treaty for less than 8 hours. Majority Leader Mike Mansfield complained that no Senators wanted to speak and that the Senate was "twiddling its thumbs."

Surely commonsense dictates that the negotiating record, in concert with the explicit text of the treaty itself, must hold precedence over various Senators' "interpretations" or "readings" offered in the course of ratification debate. Let us briefly examine the text and the negotiating record.

Article II of the treaty clearly differentiates between ABM systems current at the time of the signing of the treaty and ABM systems based on "other physical principles" in the future. Development, testing, and deployment of mobile-based versions of "current" ABM technologies, for example, those existing in 1972, are clearly banned by the treaty. However, there is no such ban on the development and testing of future technologies. The treaty's agreed statement "D" says only that deployment of such future technologies is subject to negotiation and agreement.

Negotiator Dr. Raymond Garthoff stated in 1971:

> The question of constraints on future systems would be settled elsewhere than in Article II.

In concert with this assertion, agreed statement "D" says—the emphases are mine:

> In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Former Chief ABM Treaty Negotiator Gerard Smith, testifying in 1972 on the nature of restrictions on futuristic ABM systems, virtually restated agreed statement "D":

> * * * one of the agreed understandings says that if ABM technology is created based on different physical principles . . . development work, research, is not prohibited, but deployment of systems using those new principles . . . would not be permitted unless both parties agree by amending the treaty.

During ratification, Senator Barry Goldwater asked Negotiator Smith:

> * * * under this Agreement are we and the Soviets precluded from the development of the laser as an ABM?

Mr. Smith replied tersely: "No, Sir."

More recently, in testimony March 19, 1987, before the Senate Appropriations Committee, former ABM Negotiator Paul Nitze stated:

> In sum, my recollection of the negotiating process leaves me convinced that the Soviets agreed in a binding manner to prohibit only the deployment, not the creation, of systems based on other physical principles.

Indeed, it is all but forgotten that the United States negotiating team worked doggedly to get the Soviets to ban future ABM technologies. Again and again, the Soviets responded with a flat "nyet." Regarding future ABM systems, former Negotiator Lt. Gen. Royal Allison stated on June 21, 1972:

> Constraints in the Treaty apply to deployments only. Research and development are not constrained. The U.S. delegation, under instruction, sought a clear-cut ban on deployment of future ABM systems but the Soviets would not agree.

Gen. Bruce L. Palmer, testifying in 1972 before the Senate Armed Services Committee, stated flatly:

> There is no limit on R&D in the futuristic system.

Yet, despite the crystal clear text of the treaty and the equally unambiguous testimony of our ABM negotiators, Senator NUNN and his allies continue to push amemdments in Congress that would shackle the United States to his "narrow" interpretation. This is wrong. In effect, he seeks to ratify a new treaty by a majority vote of the Senate instead of the constitutional two-thirds. He further corrupts the Constitution by inviting House participation in this new "ratification process."

Senator NUNN would unilaterally bind the United States to a "narrow" interpretation that the Soviets' own aggressive SDI program left in the dust long ago. At the other extreme, militant conservatives are hell-bent on immediate deployment of an SDI system that, by any assessment, still requires a thorough program of research and development. Both sides are wrong. We must say no to the distortion and politicization of the ABM Treaty, whether from the left or the right. We must defend the integrity of this excepitonally valuable treaty.

I yield the floor for a moment, Mr. President.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I shall be brief in the remarks that I make here. I show up at this time, mainly because I have been on the committees there, both those committees, for a period of years.

This is a very difficult matter. It has been attended on both sides by a number of our very best Members on each side. Among our very best Members, not only in the field, but in the general field.

That has not included me. I have never had the privilege of working on it. I am not a specialist in that field either, so I do not take any credit in correctness about what my conclusions are.

I do know that it is a very delicate matter. It is difficult to deal with, particularly a new change in the rule, modifying it some.

I am pressured now, as we all are, by time. This is beyond the middle of September already, beyond the 16th day of September, and here are these bills that something has to be done with. They are major, far-reaching bills. With all deference to everyone, I think it is highly incumbent on us, knowing the responsibility that we have, to carry across-the-board these large sums of money around the world. I think we better clear up and clean up and pass these appropriations bills at the money levels chosen by the membership and continue to work on this question about missiles and all. We should not abandon that in the least, but we cannot hold up these major parts of our necessary items. As I say, on these far reaching and broad programs we cannot hold here, except to a degree.

I am very much concerned as a Member of this body that we let this matter pass on in some form, with that suggestion, and straighten out whatever we finally decide should be straightened out about this main question.

The Senator from South Carolina is very well versed in the subject and always makes a good speech. I always listen to him when I am around.

I will conclude with this statement, Mr. President:

As I see it, Mr. President, this amendment requires the United States to stick with the traditional, or narrow interpretation of the treaty as has existed for the past 15 years since its enactment in 1972, unless the Congress, our Congress, approves a change.

This issue has been scrupulously studied and carefully analyzed by the chairman of our committee, Senator NUNN, together with the Senator from Michigan [Mr. LEVIN], who is a man of great and deep ability, and in both of whom I have the utmost confidence and respect, and by the very able committee staff. They have all gone into

the matter in great depth and given it along and thoughtful consideration.

As I said, I voted in favor of the amendment during the full committee markup of the defense authorization bill this spring, and committee markup of the defense authorization bill this spring, and I will continue to support it in any way I can on the Senate floor.

I know this has to be straightened out. It should be done as soon as we reasonably can. That means delaying the rest of the budget, almost, in order to get some kind of a settlement.

In addition, Mr. President, changing the interpretation of the ABM Treaty now would raise very serious institutional questions, it seems to me, about treaty making as a whole and in particular the Senate's role in this important function.

While I believe that this whole matter should be reviewed in the light of the current day situation, and changes made, if they are appropriate, I do not believe that going back on an old treaty and reinterpreting it is the way to settle this issue. A change now in the traditional interpretation of the ABM Treaty could cause a grave misunderstanding, I think and raise all sorts of questions not only by other countries but by our own people concerning America's international dealings and our whole process of foreign affairs.

As I said, I will vote in favor of the amendment as reported by the committee. I want to encourage, thought that the matter be considered as briefly and ask rapidly as we can on the broad facts.

As I just said, if we should bring it up to date, so to speak, then that is what should be done.

Mr. WARNER. Mr. President, in a few minutes, I wish to say that while I may differ from the ultimate conclusion of our distinguished former chairman, indeed I was deeply moved by the reasoning that he provided. I have the utmost respect for his historical perspective. I hope he has observed, as I have, that to date we have had good, sound debate. We recognize the urgency to move on with this bill, the chairman's desire, and a view which I share, and we are doing our very best.

I also would acknowledge that the distinguished Senator from South Carolina has again made a very important contribution to this important debate.

Mr. STENNIS. I thank the Senator for his generous words. I appreciate the fine work he has been doing.

Mr. WARNER. Mr. President, at some point I would hope our colleague from Missouri would be given an opportunity to speak.

Mr. NUNN. Mr. President, I, too, want to commend the Senator from Mississippi. He has been my hero for a long time, even before I got to the U.S. Senate. That image of the chairman of the Armed Services Committee before I got here, meaning the Senator from Mississippi, was an image that inspired me to run for the U.S. Senate. When I arrived here, under his chairmanship, one of the great pleasures of my life has been learning in his footsteps, and watching him serve as chairman with not only ability but with absolute integrity. As far as I am concerned, the Senator from Mississippi is a Senator's Senator. I say that when he is on my side and I also say it when he and I do not agree, which is not very often because I usually follow his guidance and advice. I do not know of any other person I would rather have on my side on such an important issue as this. I commend him for his exemplary service both as chairman of the Senate Armed Services Committee, as Senator pro tempore, and as a Senator we look to for character and integrity, and as the Senator we look to when we try to define to people outside this institution what this institution is all about.

Mr. WARNER. While the manager of the bill is here, there is the pending matter of the unanimous consent request that goes to the clarification of the standing of the Glenn amendment.

As far as I know, there is no objection on this side.

Mr. NUNN. Mr. President, I thank my colleague from Virginia. We talked about this last evening. I believe the minority leader was there when we talked about it. The Senator from Ohio has been most patient. It is his amendment. He has been somewhat of a punching bag. We have not debated his amendment but we have used it as a vehicle to which other amendments were attached. He desired that his amendment be judged on its own merits. The unanimous-consent request is in three parts.

Mr. President, I ask unanimous consent that the Byrd-Nunn amendment, No. 681, adopted last night, be separated from the underlying Glenn amendment, No. 680, and treated as if it had been enacted as a first-degree amendment to be inserted in the bill at the appropriate place.

Mr. WARNER. Mr. President, after consultation with the minority leader and other Members on this side, that correctly recites the understanding that was reached last night in the nature of a refinement. We have no objection.

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

Mr. NUNN. Mr. President, I further request unanimous consent that the word "firm" be stricken from the first line of the Byrd-Nunn amendment and be inserted after the word "foreign" in the last line of subsection (d)(2) of the Glenn amendment.

I say by way of explanation that this is a further technical amendment in putting the Glenn amendment back where it was. My colleague and I have discussed this. I would hope he would have no objection.

Mr. WARNER. No objection.

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

Mr. NUNN. Along the same line, Mr. President, I finally request that the subsection designated (e) be stricken from the Byrd-Nunn amendment as adopted.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. No objection.

The PRESIDING OFFICER. The Senator from Virginia indicates there is no objection. Is there objection from any Member of the body? No objection being heard, it is agreed to.

Mr. NUNN. Mr. President, may I say to my friend from South Carolina, I commend him for the diligence he has applied to this task because he has gotten into this in detail. He and I have a fundamental disagreement on this matter, but I know how many hours are required to get into the detail the Senator from South Carolina has gotten into on this matter. It is a mind boggling, complex task and with his usual diligence he has gotten into it in great detail.

So we do not agree on the conclusions, but I do commend him for his diligence, for his efforts, for his dedication to the Nation's security, which has been longstanding, and for his overall contribution to this debate.

Mr. HOLLINGS. I thank the Senator.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER (Mr. BINGAMAN). The Senator from Missouri.

Mr. BOND. Mr. President, I have been listening to the debate that has taken place today and has continued on and off for the past 4 months. I share the concern of many of my colleagues regarding the Levin-Nunn language which prohibits the Department of Defense from conducting tests of the strategic defense initiative without the prior approval of both Houses of Congress.

Mr. President, I find the Levin-Nunn language unacceptable for several reasons. We have heard many of these reasons mentioned during today's very informative debate, but I believe this issue is so critical to our Nation's security that all interested Senators' opinions should be thoroughly and completely aired.

I agree with the interpretation of the distinguished ranking member, the Senator from Virginia, that the amendment raises constitutional concerns. This provision represents an unacceptable intrusion by Congress into the President's conduct of foreign

policy. The Constitution sets forth the roles the different branches of Government are to play in the conduct of foreign policy. It provides that the President is to be the sole representative of the United States in the making of treaties. With this amendment Congress attempts to take a bigger piece of the pie by encroaching on the President's area of responsibility.

In addition, I oppose this amendment for the same reason I have opposed other arms control provisions that have been proposed in Congress, because it and they represent a unilateral constraint upon the United States.

Mr. President, when Congress enacts into domestic law provisions which unilaterally prohibit the United States from taking action which would be in our national security interest, that is not an arms control measure. That is a concession. Whether or not we conduct tests into various aspects of the strategic defense initiative should be the subject of negotiations between the United States and the Soviet Union, just as measures relating to nuclear testing or antisatellite weapons or nuclear warhead limits should be the product of negotiations between the two countries. These types of conditions should not be imposed unilaterally on our country by the Congress. The practical effect of the Levin-Nunn language is that our negotiators are forced to adopt a restricted position regarding the testing of strategic defense systems. This is similar to what Soviet arms control negotiators have been trying to accomplish at the bargaining table.

As the distinguished junior Senator from Texas said earlier today, and he said it very eloquently, the Soviets are deeply concerned about the possibility of the United States developing a strategic defense system. They do not want to see it researched, they do not want to see it tested, and they certainly do not want to see it deployed. SDI has brought the Soviets back to the bargaining table and it has kept them there. It would be a great mistake for the Congress to force our negotiators to give up the very leverage that appears to be the force behind the recent movement in arms control negotiations.

It seems clear to me that the last thing we want to do is give the Soviets the very thing they have been seeking during the past few years of negotiations without getting compensating concessions from the U.S.S.R. Regardless of whether individual Senators support SDI research, SDI deployment, or abandonment of the SDI program altogether; and regardless of whether they believe SDI should be used as a bargaining chip or that it must be deployed at all costs, simple common sense should tell us that it is a mistake to relinquish SDI as a lever at the negotiating table.

The whole point of the give and take of a negotiation is to get the best deal we can. When we show our cards before we even get to the table, we relinquish our ability to protect our interests.

Mr. President, it would be a mistake for us to enact a provision like the one we are considering today especially at a time when it appears that we are very close to concluding an arms control agreement with the Soviets. Passage of this provision can only result in the President losing leverage in his talks with Soviet leader Gorbachev.

Mr. President, today following the suggestion of our distinguished colleague the junior Senator from Oklahoma, I had the pleasure of talking with an arms negotiator. I called Dr. William Van Cleave. Dr. Van Cleave, a member of the 1969 through 1971 SALT I negotiating team, as many of my colleagues know, is a distinguished professor of strategic studies and recognized expert on arms control issues. He was a lead witness before the committee and spoke in opposition to the treaty. He said at that time that some U.S. negotiators wanted a restrictive interpretation but the U.S.S.R. rejected that interpretation.

Recently I had the honor of welcoming Dr. Van Cleave to Southwest Missouri State University in Springfield, MO, where he is establishing his center for defense and strategic studies.

What he told me today was, first, that the article by Senator DAN QUAYLE, our distinguished colleague from Indiana, which appeared in the June 15, 1987, Los Angeles Times, was completely accurate. Dr. Van Cleave states that the Levin-Nunn amendment would hold us to a unilateral interpretation of the treaty which the Soviets do not accept. It would treat the ABM Treaty as if it were effective and as if it were being observed when in fact the ABM Treaty has failed to prevent the establishment of a defensive capability by the U.S.S.R. and it has failed to prevent a buildup of offensive weapons by that country.

Professor Van Cleave reminded me that a book by the distinguished scholar Walter Lippmann, in 1947, said that "disarmament treaties tragically have usually been effective in preventing the armament of that side which does not want to arm." And that would be the impact of the Levin-Nunn amendment today.

Professor Van Cleave has pointed out the Levin-Nunn amendment assumes that both sides are equally complying with the ABM Treaty, but it ignores the fact that it has not prohibited, as it was intended, the development of a base for national defense of the country. First, it was to have prevented phased array radar systems, but we know in fact that the Krasnoyarsk radar and the other mobile radar systems are providing that kind of coverage. Second, it was to prevent the development of surface-to-air missiles that could be used in countering ICBM's, but the President has found probable and his advisory commission has found certain a violation of the dual testing of air defense in an ABM mode.

Third, it was to prevent the development of ground-based mobile missile components. Once again the President has found probable violation, the General Advisory Commission has found outright violations because the Soviets have proceeded to develop ABM capable mobile radars. The President has concluded that the sum of these separate violations raises the very real probability that the U.S.S.R. is developing a national ABM defense.

Professor Van Cleave urged that the Members of this distinguished body consider a comparison of what the two countries have done since the conclusion of this treaty. First, the U.S.S.R. has developed the Moscow defensive system, the ABM system for Moscow, which is permitted by the treaty. The United States has none. But to go beyond that, the U.S.S.R. has embarked on a very rigorous, expensive, and continuing program to modernize the Moscow system which has been thoroughly redone and brought up to date with radars, launchers, and interceptors.

On the U.S. side, since we do not have a system we obviously have not upgraded.

Third, what is most disturbing is the U.S.S.R. has opened production lines. They are turning out equipment to be used in ABM defenses. They have set up, in modernizing the Moscow system, a production line that allows them to store, stockpile, and to prepare for prompt deployment the equipment they would need in a full-fledged nationwide ABM defense system.

The United States obviously has gone nowhere nearly so far.

What about the existing system? The U.S.S.R. has 6,000 radars and 12,000 launchers, most of them ready for speedy reload. They have been upgrading their SS-10 and their SS-12, blurring the difference between a surface-to-air missile and an antiballistic missile.

Here, the United States has some radars and has some F-15's but we have virtually no defensive capability going beyond the aircraft intercept.

In the final area, the U.S.S.R. has a research program. And here so does the United States. We have what we are calling the SDI, the strategic defense initiative. Professor Van Cleave suggests that it really is kind of the other way around. The U.S.S.R. has

more heavily funded the longstanding research into a program which General Abrahamson and Admiral Crowe said give them a lead. They have the strategic defense initiative. They are on the initiative. What we have is a strategic defense response.

Finally, Professor Van Cleave points out that, as the Wall Street Journal said in its July 15 editorial, the U.S.S.R. has targeted and tracked an ICBM with a laser. This would be in violation of the Levin-Nunn amendment. They have already done the things that the Levin-Nunn amendment would prohibit us from doing.

Based on his views, those of Professor Van Cleave, and what we have heard and learned from others, Mr. President, I ask how we in this Congress can impose on our country a more restrictive interpretation of the ABM Treaty when the Soviets are not even sticking to it now, and seem willing to go beyond the limits of even what the broadest interpretation would permit.

It is for all of these reasons that I joined with 33 of my colleagues in writing the President on May 6 to tell him that I would oppose the Levin-Nunn amendment during the Senate consideration of S. 1174, and that if necessary, I would, and I shall, vote to sustain his veto of the entire defense bill.

This debate has been almost absent of any discussion of what the Soviets are up to. And I do not think the American people understand the duplicity of the Soviets with respect to every treaty in which they have engaged.

Mr. President, I share the concern of all Members of this body regarding the importance of passing a defense authorization bill. Providing for the defense of our Nation is the most important duty of the Federal Government. Passage of a defense authorization bill this year is important to our continued ability to maintain our defenses.

I hope we will be able to remove or to at least separate this amendment from the bill so that we can proceed with the consideration of critical national security issues.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, before the distinguished Senator from Missouri leaves the floor, I want to compliment him for what he just said. He has given good advice to the Senate, and I might add, the Senator himself has received good advice from a man whom I respect highly, Bill Van Cleave, and the Senator is indeed fortunate to have Bill as a resident of his State, and a professor of a fine institution in Missouri.

I thank the Senator.

Mr. BOND. I thank the Senator.

SOVIET ABM TREATY VIOLATIONS

Mr. HELMS. Mr. President, I want to extrapolate a little bit on what the distinguished Senator from Missouri had discussed. I will not take long. When I conclude, I am going to ask—I do not do so now—that a listing of the confirmed Soviet arms control treaty violations be printed in the RECORD.

First of all, just for example, and I am going to ask Mr. Sullivan to hold up a drawing, I call the Senate's attention to a drawing of the Soviet Krasnoyarsk radar and a map of the Soviet Union showing ABM radar coverage.

Mr. President, the Soviet Krasnoyarsk radar is a clearcut violation of the ABM Treaty; no question about it. It is so clearcut as to be startling. It shows the high degree of arrogance of the Soviet Union. Apparently they have decided that we are not going to protest anything, and that certainly the Congress of the United States is not going to take any firm action.

The map shows that the Krasnoyarsk radar is in the interior of the U.S.S.R. and it is oriented inward. The ABM Treaty states that it must be on the periphery of the Soviet Union and oriented outward.

The Krasnoyarsk radar pictured in the drawing is a clearcut violation itself. The recent U.S. congressional visit to inspect Krasnoyarsk confirmed the U.S. assessment that it is indeed a violation, and previously both the Senate and the House went on record that the Krasnoyarsk radar is a clear violation of the ABM Treaty—and, as such, that it is an important obstacle to any new arms control treaty.

I have arrived at the conclusion that instead of debating U.S. unilateral interpretations of the ABM Treaty, we should be debating withdrawal from ABM Treaty due to the Soviet breakout.

That, it seems to me, is inevitably the ultimate notice to the Soviet Union—that we are not going to put up with their violations any more.

Second, I call the Senate's attention to the drawing of the SAM-12. The President has reported to the Congress six times that it is "highly probable" that the Soviets have tested the SAM-12 in an "ABM mode" in violation of the ABM Treaty. This violation is particularly serious, because it could contribute to a Soviet nationwide ABM defense, which is the key prohibition of the ABM Treaty.

Mr. President, I ask that an annex entitled "Confirmed Soviet SALT Violations," be printed in the RECORD. I might add, Mr. President, that I have made certain that all information herein has been declassified and cleared for my public use by the CIA.

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

ANNEX: CONFIRMED SOVIET SALT VIOLATIONS

A. Presidentially Confirmed Expanding Pattern of Soviet SALT II Breakout Violations—Total of 24:

I. SS-25 road mobile ICBM—prohibited second new type ICBM:

1. Development since 1975;

2. Flight-testing (irreversible) since February, 1983;

3. Deployment (irreversible) since October, 1985—over 100 mobile launchers—"direct violation":

4. Prohibited rapid-refire capability—doubles or triples or quadruples force;

5. Reentry Vehicle-to-Throw-Weight ratio over 1 to 2 (and doubling of throw-weight over the old SS-13 ICBM)—probable covert SS-25 two or three MIRV capability—"direct violation";

6. Encryption of telemetry, "direct violation".

II. Excess Strategic Nuclear Delivery Vehicles (SNDVs):

7. Strategic Nuclear Delivery Vehicle de facto limit of 2,504—Soviets have long been at least 75 to over 600 SNDVs over the 2,504 SNDV number only they had when SALT II was signed in 1979, thus illustrating the clear fact that SALT II was fundamentally unequal.

III. Prohibited SS-N-23 Heavy SLBM:

8. Heavy throw-weight prohibited—conclusive evidence (irreversible);

9. Development since 1975;

10. Flight-testing (irreversible);

11. Deployment on Delta IV and probably on Delta III Class submarines (irreversible);

12. Encryption of telemetry.

IV. Backfire Intercontinental Bombers Excess Number and Extended Range:

13. Arctic basing, increasing intercontinental operating capability;

14. Probable refueling probes, also increasing intercontinental operating capability;

15. Production of more than 30 Backfire bombers per year for an estimated period of over five years, making more than an estimated 12 extra Backfire bombers;

V. Camouflage, Concealment, and Deception:

16. Expanding pattern of camouflage, concealment, and deception (Maskirovka), deliberately impeding U.S. verification.

VI. Encryption:

17. Reported almost total encryption of Soviet ICBM, IRBM, SRBM, SLBM, GLCM, ALCM, and SLCM telemetry.

VII. Concealment of ICBM Launcher and Missile Relationship:

18. Reported probable concealment of relationship between SS-24 missile and its mobile ICBM launchers, and concealment of the relationship between the SS-25 missile and its mobile ICBM launchers.

VIII. Prohibited SS-16 Mobile ICBM:

19. Confirmed concealed deployment of 50 to 2000 banned SS-16 mobile ICBM launchers at Plesetsk test and training range, now reportedly probably being replaced by a similar number of banned SS-25 mobile ICBM launchers.

IX. Falsification of SALT II DATA Exchange:

20. Operationally deployed, concealed SS-16 launchers not declared;

21. AS-3 Kangaroo long-range-air-launched cruise missile range falsely declared to be less than 600 kilometers, and not counted.

X. Excess MIRV Fractionation:

22. SS-18 super heavy ICBM—NIE reportedly states that SS-18 is deployed with 14 warheads each instead of the allowed 10, adding over 1,230 warheads.

XI. Exceeding SALT II MIRV Missile Sublimits:

23. and 24. The Reagan Administration confirmed on August 7, 1987, that:

"The Soviets exceeded the SALT II sublimit of 1,200 permitted MIRVed ICBMs and MIRVed SLBMs when the 5th Typhoon submarine recently began sea trials. Moreover, some SS-X-24 MIRVed ICBM railmobile launchers should now be accountable under the SALT II sublimit on MIRVed ICBMs. It appears that the Soviets have not yet compensated for any of the SALT II-accountable SS-X-24 launchers. Therefore, the Soviets may also have exceeded the SALT II sublimit of 820 MIRVed ICBM launchers." This judgment has been further confirmed as accurate.

The Soviets reportedly informed U.S. arms control negotiators in Geneva in late 1983 that they intended to exceed the SALT II sublimits of 820, 1200, and 1320, which they are now in fact doing. And Soviet leader Gorbachev confirmed to President Reagan at the Iceland Summit on October 11, 1986, that the SS-24 was deployed.

Moreover, the Soviets are reportedly flight-testing the even heavier throw-weight follow-on to the super heavy SS-18 ICBM, in violation of the SALT II absolute ceiling on SS-18 throw-weight. This SS-X-26 ICBM, the follow-on to the SS-18, will certainly result in further excess MIRVing on the SS-18, because it will probably carry 20 warheads.

B. Presidentially Confirmed Expanding Pattern of Soviet SALT I Interim Agreement Break Out Violations—5 Violations:

1. Soviet deployment of the Heavy SS-19 ICBM and the Medium SS-17 ICBM to replace the Light SS-11 ICBM was a circumvention defeating the object and purpose of the SALT I Interim Agreement. Article II of the Interim Agreement prohibited Heavy ICBMs from replacing Light ICBMs. This violation alone increased the Soviet first strike threat by a factor of six.

2. Soviet deployment of modern SLBM submarines exceeding the Limit of 740 SLBM launchers, without dismantling other ICBM or SLBM launchers, which the Soviets actually admitted was a violation.

3. Soviet camouflage, concealment, and deception deliberately impeded verification.

4. Circumvention of SALT I by deploying SS-N-21 and SS-NX-24 long range cruise missiles on converted Y Class SLBM submarines which "is a threat to U.S. and Allied security similar to that of the original SSBN."

5. "The United States judges that Soviet use of former SS-7 ICBM facilities in support of the deployment and operation of the SS-25 mobile ICBM is a violation of the SALT I Interim Agreement."

As Defense Secretary Weinberger stated on December 11, 1986, "SALT I and SALT II have been largely irrelevent to the Soviet military buildup. Both agreements merely codified and authorized large increases."

C. Presidentially Confirmed Expanding Pattern of Soviet SALT I ABM Treaty Break Out Violations—Nine Violations.

1. The siting, orientation, and capabilities of the Soviet Krasnoyarsk ABM Battle Management Radar "directly violates" three provisions of the SALT I ABM treaty. The Soviets have privately admitted this violation to themselves.

2. Over 100 ABM-mode tests of Soviet SAM-5, SAM-10, and SAM-12 Surface-to-Air Missiles and radars are "highly probable" violations of the SALT I ABM Treaty. Two high Soviet officials have even admitted that their SAMs have been tested and deployed with a prohibited ABM capability. The Joint Chiefs of Staff have stated that the SAM-5, SAM-10, and SAM-12 all have a prohibited ABM capability.

3. The Soviets may be developing and deploying both a territorial, and a nationwide ABM defense, which violates the SALT I ban on developing even a base for a nationwide defense. President Reagan has stated that "this is a serious cause for concern." The Secretary of Defense has testified that the "Soviets have some nationwide ABM capability" already.

4. The mobility of the ABM-3 system is a violation of the SALT I ABM treaty.

5. Soviet rapid relocation without prior notification of an ABM radar, creating the Kamchatka ABM test range, and mobility of the ABM-3 radar, were violations of the ABM treaty.

6. Continuing development of mobile "Flat Twin" ABM radars, from 1975 to the present, is a violation of the prohibition on developing and testing mobile ABMs. The Soviets are now mass producing the ABM-3 system for rapid nationwide deployment.

7. Soviet ABM rapid reload capability for ABM launchers is a serious cause for concern. The State and Defense Departments state that the Soviets may have a prohibited reloadable ABM system.

8. Soviet deliberate camouflage, concealment, and deception activity impedes verification.

9. Confirmed Soviet falsification of the deactivation of ABM test range launchers is a violation of the ABM treaty dismantling procedures.

As Defense Secretary Weinberger stated on December 11, 1986, there has been: "The recent discovery of three new Soviet large phased-array radars of this type [the Pechora-Krasnoyarsk class]—a 50 percent increase in the number of such radars. These radars are essential components of any large ABM deployment. . . . The deployment of such a large number of radars, and the pattern of their deployment, together with other Soviet ABM-related activities, suggest that the Soviet Union may be preparing a nationwide ABM defense in violation of the ABM Treaty. Such a development would have the gravest implications on the U.S.-Soviet strategic balance. Nothing could be more dangerous to the security of the West and global stability than a unilateral Soviet deployment of a nationwide ABM system combined with its massive offensive missile capabilities."

D. Presidentially Confirmed Expanding Pattern of Soviet Violations of Nuclear Test Bans—Over Seventy Violations:

1. About twenty atmospheric nuclear weapons tests, August through September 1961, in violation of the 1959 Mutual Test Ban Moratorium, including a fifty-eight megaton shot.

2. Over thirty conclusively confirmed cases of Soviet venting of nuclear radioactive debris beyond their borders from underground nuclear weapons tests, in violation of the 1963 Limited (or Atmospheric) Test Ban Treaty.

3. Twenty four cases of Soviet underground nuclear weapons tests over the 150 kiloton threshold in probable violation of the 1974 Threshold Test Ban Treaty.

E. Presidentially Confirmed Expanding Pattern of Soviet Violations of Biological and Chemical Weapons Bans:

1. "The Soviets have maintained an offensive biological warfare program and capability in direct violation of the 1972 Biological and Toxin Weapon Convention." The United States has no defenses against this capability. The Sverdlovsk Anthrax Explosion of April 1979, killing several thousand Soviets, is direct evidence of this capability.

2. "Soviet involvement in the production, transfer, and use of chemical and toxic substances for hostile purposes in Southeast Asia and Afghanistan are direct violations of the 1925 Geneva Protocol." Tens of thousands of innocent men, women, and children suffered horrible deaths from these Soviet atrocities, which are also violations of the Genocide Convention.

F. Soviet Violation of the Kennedy-Khrushchev Agreement:

The Soviets are violating the 1962 Kennedy-Khrushchev Agreement prohibiting Soviet offensive weapons in Cuba because of the reported presence of 4 to 12 or more TU-95 Bear intercontinental bombers, more than 43 nuclear-delivery-capable Mig-27 Flogger fighter-bombers, several types of strategic submarines, over 200 nuclear-delivery-capable-Mig-21 fighter-bombers, and the Soviet Combat Brigade. President Reagan, the CIA director, the JCS chairman, and the Under Secretary of Defense for Policy have all charged that the Soviets are violating the agreement.

THE ABM TREATY—SUBSEQUENT PRACTICE

Mr. HELMS. Mr. President, along another line, last week the legal advisor of the Department of State, Judge Abraham D. Sofaer, issued the third and final portion of his study dealing with the negotiating record and the proper interpretation of the ABM Treaty. Considering the debates and the votes yesterday in this body on our role in treaty-making and its relationship to the ABM agreement, as well as our current consideration of S. 1174, I believe it is essential at this time at least to have a portion of Judge Sofaer's report made available for the RECORD, so that Senators, if they care to, can read it, and I hope they will, because Judge Sofaer's comments thus far, except for a few contrived, controversial aspects, have been pretty well kept secret in this town, particularly in the news media.

Part III of the legal adviser's overall study centers on the subsequent practice following the ratification of the ABM Treaty, particularly the conduct of the parties, the bilateral agreements and exchanges, and the public statements made by both sides between 1972, when the treaty was concluded and ratified, and 1985, when the President announced the results of a reexamination of the treaty in light of the negotiating record. It is the conclusion of the legal adviser, Judge Sofaer, with which I agree, because I believe it is a sound conclusion, well argued, and well presented, that the record of subsequent practice between the United States and the Soviet Union fails to validate the restrictive or narrow view of the ABM Treaty, as expounded by my good friend the distinguished Senator from Georgia [Mr.

NUNN]. Other critics of the administration have been perhaps even more vociferous than Senator NUNN.

As I have pointed out on several occasions, Mr. President, the ABM Treaty is ambiguous in the wording of the articles and clauses relating to future testing. That was also the conclusion of the distinguished Senator from Indiana [Mr. QUAYLE] in his excellent analysis delivered on the floor yesterday. It is clear that subsequent practice reveals that the meaning of the treaty language, especially the provisions resulting from last-minute compromises, such as agreed statement D, were not all that clear. For example, article II of the ABM Treaty contains the language: "of a type tested in an ABM mode." But there is no Russian language equivalent for the word "mode" and in the Russian text the phrase "of a type tested for ABM purposes" was substituted. These two statements do not mean the same thing, Mr. President, and the result is ambiguous. That is true of other parts of the treaty as well, if Senators will take the opportunity to look at it. That is why subsequent practice must be taken into account in the interpretation of the treaty and how it is to be applied.

As a general rule of international law, when there is a disagreement between the parties to a treaty as to the meaning of that document, as in contract analysis, subsequent practice is to be taken into account. Section 325 of the Restatement of the Foreign Relations Law of the United States (Revised), which represents the views of leading American scholars and jurists in the field of international law, declares that "subsequent practice between the parties in the application of the agreement is to be taken into account in interpreting the agreement." I.M. Sinclair, the former senior legal adviser to the British Foreign and Commonwealth Office, states that if the terms of a treaty are not clear, or are capable of more than one interpretation, than the context of the treaty, which includes subsequent arrangements or subsequent practice is relevant to determining the intent of the parties and the meaning of the treaty's terms. He adds that these additional factors have to be taken into account. As the legal adviser points out, in the conclusion of his study, during the 13-year period between 1972 and 1985, at no point "did the views stated by the United States and Soviet Union on the interpretation of the treaty coincide."

Mr. President, Judge Sofaer has made an important contribution to the legal analysis of the application of the ABM Treaty and its operation according to the rules of international law. It should be available to all interested Senators and others. As a matter of fact, I think it ought to be made available to the general public. It is extremely important that we be aware of this study in our debate on S. 1174. Unfortunately, the total document runs 133 pages and is too long to print in its entirety. The complete document has been sent to all Senators.

I ask, Mr. President, unanimous consent to have printed in the RECORD part III of the legal adviser's unclassified study of the ABM Treaty and its subsequent practice.

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

THE ABM TREATY—PART III: SUBSEQUENT PRACTICE SEPTEMBER 9, 1987

I. INTRODUCTION AND SUMMARY OF CONCLUSIONS

This is the third of three parts of a study of the ABM Treaty's application to so-called "future" ABM systems. The purpose of this three-part study is to ascertain the Treaty's meaning on this issue. The first part, originally prepared in October 1985, and completed in May 1987, examined the Treaty language and negotiating history. It concluded that the Treaty text is ambiguous, and that the negotiating record establishes that the Soviet Union refused to agree to prohibit the development and testing of mobile ABM devices based on other physical principles ("OPP").

The second part, also completed in May 1987, examined the ratification record of the Treaty. It concluded that no change occurred in the international obligations undertaken in the Treaty through any condition, reservation, or understanding. It also found no basis in the Senate record to conclude that the Senate's consent to ratification was premised on a generally held intention that the Treaty prohibit development and testing of mobile OPP devices, or that the Senate had taken any action that would bind the President to the "restrictive" interpretation as a matter of domestic law. The study found, however, that the Senate record contains representations by Executive officers to the Senate which support the restrictive interpretation, upon which Senators could justifiably have relied in granting advice and consent. It concluded that the President should give appropriate weight to such representations and to any understandings reflected in the ratification record even though they may not be binding as a matter of law.

This third and final part of the ABM study examines the agreements and practices of the parties subsequent to ratification of the Treaty. It then describes and applies to the record of subsequent practice the controlling principles of international and domestic law.

This part covers all forms of subsequent practice potentially probative of the parties' intentions with respect to the regulation of OPP systems. It begins with the period immediately following the ratification of the Treaty, and proceeds up to the President's announcement in October 1985 of the results of a re-examination, in light of the negotiating record, of the meaning of the ABM Treaty as it applies to ABM systems and components based on OPP. An analysis of materials beyond October 1985 would in general have limited utility, because those materials have been widely published and because after that date the relevant materials largely consist of defenses of the interpretations presently at issue. It is noteworthy, however, that Soviet positions advanced since October 1985 differed in material respects from the restrictive interpretation held by the U.S. prior to that time.

This version of the study is unclassified in its entirety. A classified version has also been prepared, including material and appendices which could not be publicly released because of the need to protect intelligence sources and methods, and the confidentiality of certain diplomatic exchanges. The full classified version has been provided, under appropriate arrangements, to the Senate for examination by Senators.

A. The record of subsequent practice

An evaluation of the significance to be accorded any particular evidence of subsequent practice must be based on controlling legal principles, which are discussed below. One circumstance, however, deserves mentioning at this point. In general, actual conduct by the parties reflecting a common understanding of treaty obligations is entitled to much greater weight than mere statements separated from actual conduct. Likewise, conduct based on a consistent, common understanding of obligations is entitled to much greater weight than actions which cannot clearly be attributed to treaty considerations, or which are based on shifting, vague or inconsistent understandings. Despite the extensive collection of relevant materials in this study, there is little evidence of a pattern of conduct based on a consistent, common understanding of treaty obligations. Most of the evidence examined in this study consists of statements, usually unconnected with any action having probative worth. A principal reason for this has been the fact that the parties have not had the programmatic need or technological capacity for very long to develop and test OPP systems or components that are ABM-capable.

Further, it has often been impossible to ascertain whether conduct by the U.S. has been common with conduct of the Soviets. Soviet practice cannot be analyzed or evaluated in the same manner as U.S. practice. The Soviet Government publishes no reports of its BMD activities, and internal debates over the scope of Soviet obligations, if they occur, are never revealed. U.S. officials hold a variety of views concerning Soviet behavior in interpreting treaties. One view describes the Soviets as determined to construe their treaty obligations narrowly, but also to avoid or disregard such obligations whenever desirable, as reflected by construction of the Krasnoyarsk radar. Soviet statements concerning the ABM Treaty, moreover, must be regarded as potentially reflecting Soviet interests as perceived at the time each statement is made; this is clearly demonstrated by the variety of inconsistent positions taken by Soviet negotiators between 1972 and 1985.

For the purpose of analysis, the record of subsequent practice has been divided into four periods: (1) 1972–74, when the parties were initiating their compliance with the Treaty and sorting out basic issues; (2) 1974–78, when the parties conducted their first formal five-year review of the Treaty and negotiated important clarifying interpretations of some of its provisions; (3) 1978–83, when the Executive Branch began publicly to articulate the restrictive view of the Treaty, and to state its applicability to the pre-SDI research program on ballistic missile defense; and (4) 1983–85, when the President announced the SDI program and the U.S. stated that the restrictive interpre-

tation applied to the accelerated U.S. effort, while the Soviet Union began to attack SDI on various legal grounds and doubts as to the validity of the restrictive interpretation began to be expressed more widely within the USG.

Between 1972-74, a few public statements were made by either government concerning the ABM Treaty. During Soviet ratification proceedings, Soviet Defense Minister Grechko stated that the ABM Treaty did not preclude research and experimentation aimed at solving the problem of defending the country against nuclear missile attack. Other Soviet statements stressed the Treaty's ban on deployment of new systems, and disclaimed any binding effect to unilateral, U.S. interpretations.

A strong divergence of views within the Executive Branch, as to the proper interpretation, became evident during the formulation of the internal directive on compliance by the U.S. Government with the Treaty. This directive proceeded from a draft which would have embodied the restrictive interpretation in critical provisions, to a final version which was consistent with either view and left the issue of development and testing of mobile OPP devices for policy-level decision at such time as an OPP system became ready for testing. These changes resulted from disagreement or doubt about the restrictive interpretation in several offices within the Department of Defense; in particular, the three military branches expressed or suggested the view that the restrictive interpretation had been unilaterally assumed by the U.S.; at the same time, the Joint Staff stated that the instruction "appeared more restrictive than called for by the agreements and in other instances appeared ambiguous." Statements of Executive Branch officials before Congress in this period varied, but were essentially ambiguous. The former legal adviser to the SALT I delegation, John Rhinelander, articulated the restrictive interpretation in an unofficial published commentary.

Between 1974-78, the two sides engaged in bilateral discussions in various contexts which demonstrated the differences and uncertainties which still characterized their thinking on the OPP question. During the early phases of SALT II, the Soviets tabled a proposal regarding new strategic offensive systems based on other physical principles. The U.S. representative reported (after extensive discussion) that he could not ascertain whether the Soviets believed that all such arms should be banned in the absence of agreement to permit them, or permitted in the absence of agreement to ban them; the proposal was later dropped by the Soviets. In the course of these discussions, the U.S. representatives recalled that Agreed Statement D banned the deployment of OPP systems in the absence of agreement to the contrary, but the Soviet representative (Semenov, who led the USSR ABM Treaty Delegation) suggested that this might not be a correct reading of the Treaty.

During the negotiation in the SALT II Treaty of the definition of independently targetable reentry vehicles, the Soviets accepted the phrase "other devices" for the purpose of including in the provision's regulatory scope future, unknown devices that could serve the functions involved. The Soviets had rejected identical language proposed by the U.S. for the ABM Treaty, stating then that they opposed coverage in the ABM Treaty text of unknown, future devices. The Soviet SALT II negotiator explained that coverage of current and future ABM devices was achieved in the ABM Treaty through a combination of Article II(1) and Agreed Statement D.

USG preparations for the first formal ABM Treaty Review Conference in 1977 resulted in extensive interagency consideration of a proposal to seek clarification of the OPP question from the Soviets at the Conference. The records associated with this exercise show: (1) that no uniform interpretation of the Treaty existed within the USG, with ACDA advancing the restrictive interpretation, the DCI and the JCS Chairman questioning or rejecting such restraints, and OSD expressing uncertainty as to what the Soviets had agreed; and (2) that the U.S. remained unclear as to whether or not the Soviet Union agreed with ACDA's "understanding" of the Treaty's limitations on future ABM systems. The USG decided against raising this issue with the Soviets at the Conference. The issue of future systems was raised informally on instructions with a Soviet negotiator, however, who failed to confirm that any obligation existed under the Treaty concerning future systems beyond the obligation to discuss them in the SCC.

In 1978 the two parties concluded clarifying interpretations that dealt, among other things, with the meaning of "tested in an ABM mode" in Article II(1) of the Treaty. In this Agreement, and in many prior exchanges, the Soviets emphasized their view that ABM systems regulated by the Treaty were comprised exclusively of the three conventional components listed in Article II. In one provision of the clarifying interpretations, the parties agreed that, if an ABM interceptor missile were given the capability to carry out interception without the use of ABM radars for guidance, application of the term "tested in an ABM mode" would be subject to additional discussion and agreement in the SCC. The record of the discussion of this provision does not clearly indicate a mutual understanding by the parties of its implications: the Soviets made clear that they considered that if an ABM interceptor were given such a capability it would be part of a system based on OPP. The interpretation contemplates that the creation of such a system would be permitted, though the issue of the application of the phrase "tested in an ABM mode" would be subject to discussion and agreement. (Under either interpretation of the Treaty creation would be permitted, but under the restrictive interpretation testing would be limited to a fixed land-based mode.)

Three former U.S. SALT I negotiators made statements during this period supportive of or implying the restrictive interpretation in a written public debate on the issue; protagonists from the Hudson Institute and the Rand Corporation disagreed. Official publications of the USG for the period prior to 1978, including ACDA's "Arms Control and Disarmament Agreements" are ambiguous, and refer to the treatment of OPPs in Agreed Statement D as a matter separate and distinct from the treatment of mobile and space-based systems in Article V.

Between 1978-83, the Executive Branch stated its position on the interpretation of the ABM Treaty in various public Arms Control Impact Statements ("ACIS") published during that time. The 1979 ACIS (submitted on February 28, 1978) was prepared in ACDA, and articulated the restrictive interpretation of the Treaty. No legal study or memorandum concerning the Treaty or its negotiating history has been located that might have been used to support this result; a DOD suggestion that the conclusion representing only the "U.S. position" (and, presumably, not necessarily the Soviet position) was rejected on the ground that a public suggestion that the Soviets were not bound wold be misleading and unconstructive. Some additional ACIS—particularly those submitted between 1981 and 1983—also supported the restrictive interpretation in varying degrees, as did other Executive Branch reports to the Congress and some legal memoranda in the Department of State. Personnel at the Institute for Defense Analysis objected to early ACIS drafts for incorporating the restrictive interpretation. Some support for these objections was expressed in DOD, but in 1981 a staff-level DOD official prepared an internal review that confirmed the restrictive interpretation, which was approved by other staff-level officials in DOD. A decision was made against referring the issue to appropriate senior, policy-level officials for consideration. The 1981 internal DOD memorandum relied on incomplete study of the negotiating record. Similarly, the State Department legal studies relied on incomplete excerpts from the negotiating record, compiled within ACDA in 1980, and were conclusory on key issues.

During this period, Soviet negotiators noticed public reports of U.S. BMD activities, as well as commentary on possible future plans. They complained that such activities and plans were undesirable. They did not, however, articulate a coherent view of the Treaty consistent with the restrictive interpretation.

President Reagan's announcement of the SDI program in March 1983 promised that the program would be conducted within the confines of the Treaty, but did not address which activities beyond research but short of deployment were lawful. Some Executive Branch statements after the SDI announcement supported the restrictive interpretation. These statements indicated that the Executive Branch held the restrictive view, and that the SDI program was consistent with it. Other Executive reports and statements during the same period were ambiguous.

Actions taken by the U.S. in the SDI program through October 1985 were consistent with the restrictive interpretation. During this period, the U.S. stated that its development and testing activities had been designed to be consistent with that interpretation. Those involved in the management of SDI programs found: that the tests planned or conducted required no adjustments for reasons related to the Treaty because the devices involved either were of a type that did not require exceeding the restrictive interpretation or were not ABM components (lacked ABM capability and were not tested in an ABM mode); that the objectives of the SDI program could be met during this period within the restrictive interpretation; and that in any event the U.S. was not technically capable at that time of changing the test program in ways that would go beyond the restrictive interpretation and at the same time offer significant program advantages.

Prior to October 1985 only one series of SDI tests arguably involved an ABM system or device based on OPP (the Homing Overlay Experiment, or HOE); that test would not have been conducted differently under the broad interpretation because it involved the testing of a fixed land-based ABM system. Otherwise, only planning for future

tests (such as the Delta-180 test in September 1986) was affected by the restrictive interpretation during this period.

During 1984 and 1985, certain developments led to a determination within the Executive Branch that the OPP question deserved greater study than it had previously been accorded. DOD officials charged with SDI responsibilities sought guidance on the Treaty's scope and received conflicting advice. U.S. negotiators in talks with the Soviets were puzzled by certain Soviet positions and advised further study of the negotiating record. These and other activities led to substantial differences of views within the Executive branch, causing Secretary of State Shultz to order the Legal Adviser to prepare a report on the subject. The Legal Adviser's October 1985 review of the Treaty text and negotiating record, and the opinions on that study of all relevant policy-level officials in the Administration, formed the basis for President Reagan's decision of October 1985 that a broader interpretation of the Treaty was fully justified. The President also decided, as a matter of policy, that is was then unnecessary to restructure the SDI program in a manner consistent with the broad interpretation.

Congress responded to the President's Strategic Defense Initiative by adopting appropriations for the SDI program that were not conditioned on any interpretation of the Treaty. Congress did, however, legislate and appropriate funds after Executive representations were made that the program would be consistent with the restrictive interpretation.

The SDI announcement caused a dramatic increase in the attention given by the Soviets to the OPP issue. They reformulated their position on the ABM Treaty and advanced several different arguments in an effort to attack the SDI program. Their position has consistently been in support of an interpretation narrower than the restrictive interpretation. They have stated, for example, that research, as well as development and testing, on space-based OPP systems and components, is inconsistent with the Treaty. They advanced other more restrictive interpretations, which would limit in various ways the scope of research permitted on space-based OPP systems, and prohibit all research, development and testing intended ultimately to provide a territorial defense.

These different viewpoints were argued at length in bilateral discussions, but were never resolved. At no time have the Soviets accepted the restrictive interpretation. Furthermore, while the Soviet positions would have the effect of prohibiting development and testing of space-based OPP devices, the Soviet argument regarding Article II(1) was consistent with the broad interpretation, and its views of Article V(1) were, before October 1985, inconsistent with any position ever held by a U.S. official and have no basis in the Treaty text or negotiating history. Since October 1985, they have adopted a functional definition for ABM systems consistent with the restrictive interpretation of Article II(1). However, their interpretation of Article V(1) prohibitions remains more restrictive than the restrictive interpretation.

No clear evidence has been developed as to what interpretation the Soviets have applied in practice to their own BMD programs. Existing evidence does not convincingly establish that the Soviets have advanced to the development stage with respect to mobile OPP ABM systems; but in light of existing limitations, a confident judgment on this issue is presently impossible. Available evidence clearly establishes, however, that Soviet BMD activities have included research, development and testing of types which they have characterized as inconsistent with the Treaty. The Soviets also plainly violated the Treaty in proceeding with deployment of the Krasnoyarsk radar.

B. Legal conclusions

1. *International legal obligations*

International law requires consideration of subsequent agreements and conduct of the parties in construing a treaty, particularly to resolve ambiguities. The strength to be accorded such practice depends upon the evidentiary value of particular activity on the issue being examined. In general, concurrent conduct, reflecting agreed understandings, is entitled to much greater weight than unilateral statements communicated by one party to another; internal deliberations are entitled to little if any weight in ascertaining an agreed understanding. Written agreements represent a particularly valuable source of subsequent conduct, and conduct tends to have greater weight when it is closer in time to the agreement being construed.

The record of subsequent conduct of the parties to the ABM Treaty does not establish that the parties had intended in 1972 to prohibit the development and testing of mobile OPP devices. It does, however, provide important insight into the parties' understandings of these issues, at various points, and as they developed over time. These understandings must be considered in arriving at any final judgment on the interpretation of the Treaty.

During negotiation of clarifying interpretations and at other times between 1972 and 1978, the Soviets repeatedly expressed the view that the Treaty was intended to regulate conventional ABM systems. U.S. negotiators disagreed with this view, but accepted the Soviet text in this respect for purposes of the interpretations. These agreed provisions may be read as lending support to the broader interpretation and are entitled to substantial weight in the interpretation of the Treaty. One of the interpretations also contains a provision that deals with an ABM missile that is guided without an ABM radar. The Soviets insisted upon treating the substitute guidance system in the same manner as OPP, making the testing in an ABM mode of such a system subject to discussion and agreement. These agreements relate only to particular aspects of the OPP problem, however, and therefore establish no definitive interpretation of the Treaty's application to development and testing of mobile ABM devices based on OPP.

Apart from the formal agreements of the parties, their exchanges, statements, and conduct on matters relating to the OPP question do not evidence a common and consistent understanding of the Treaty interpretation question. The U.S. position in bilateral discussions before October 1985 appears to have been consistent with the restrictive interpretation throughout this period; U.S. negotiators on several occasions indicated a view consistent with reading Article II(1) and the Treaty proper to regulate OPP systems and components.

Substantial doubt and disagreement, nevertheless, was expressed within the USG at various times throughout this period on the OPP question. These internal doubts and disagreement show that positions implying the broader interpretation were supported throughout the period by knowledgeable individuals. The doubts expressed concerning the restrictive interpretation principally took the form of questioning whether the Soviets had agreed to it. Soviet statements and contentions, particularly during the 1972-79 period, lent credible support to these internal USG doubts, since these statements indicated that the Soviets did not share the restrictive interpretation. Internal evidence is entitled to little, if any, weight under international law, however, as it cannot be treated as common or concordant conduct, establishing agreement as to what the parties meant in 1972 with respect to the interpretation of the Treaty. But the evidence of internal doubt, combined with a lack of Soviet confirmation, reflected the absence of any commonly held view.

The Soviet position in bilateral discussions has changed substantially between 1973 and 1985, evidently in response to the Soviet perception of its national interests. During the period from 1972 to 1978, Soviet negotiators repeatedly took the position that Article II(1) of the Treaty defined ABM systems within the Treaty text as only those consisting of ABM interceptor missiles, launchers, and radars; they never during this period indicated agreement with the restrictive view, and on at least two occasions failed to respond to opportunities to confirm that even the deployment of OPP devices was banned. Soviet statements began to change only around 1979, when the U.S. published extensive descriptions of its expanded BMD activities and plans; Soviet views shifted dramatically in 1983 after President Reagan announced SDI, when Soviet negotiators expressed views of the Treaty, based primarily on Article I(2), more restrictive in material respects than those of the U.S., and on an interpretation of Article V(1) which lacks any basis in the Treaty or its negotiating record.

Actions taken by the U.S. in its BMD programs through October 1985 (including the SDI program) have been consistent with the restrictive interpretation. This fact does not necessarily indicate a subsequent practice establishing agreement of the parties. During this period, the U.S. explicitly stated that its development and testing activities had been designed to be consistent with the restrictive interpretation. These tests required no adjustments for reasons related to the Treaty, however, because the devices involved either were of a type that did not require exceeding the restrictive interpretation or were not ABM components (lacked ABM capability and were not tested in an ABM mode). The objectives of the SDI program could be met during that period, moreover, within the restrictive interpretation, and the U.S. in any event was technically incapable at that time, in the view of SDI officials, of changing the test program in ways that would go beyond the restrictive interpretation and at the same time offer significant program advantages. Prior to October 1985, only planning for future tests was affected by the restrictive interpretation. Finally, these activities were conducted consistent with the restrictive interpretation because that view of the Treaty was reflected in the FY79 ACIS, and supported in some subsequent ACIS, without sufficient study.

No comparable record exists with respect to Soviet structuring of its BMD program. We have insufficient evidence to determine whether the Soviets reached the stage at which development and testing activities inconsistent with the restrictive interpreta-

tion would have been feasible and useful, but were not undertaken for reasons of Treaty compliance; the Soviets may, moreover, have conducted tests or advanced devices without U.S. detection. Soviet BMD activities, including research and experimentation clearly oriented toward possible future mobile OPP systems, have certainly been inconsistent with the more restrictive views advanced by the Soviet side since announcement of the SDI program (e.g., that the Treaty prohibits research into ABM devices the deployment of which is prohibited). They have also deployed a radar at a place where radars of that type are prohibited under any interpretation of the Treaty.

This record of subsequent practice establishes no binding international legal obligation by the U.S. and the USSR to follow the restrictive interpretation. At no time have U.S. and Soviet views coincided on the application of the Treaty to OPP systems. During the period from about 1983 to October 1985 the statements of the U.S. and the Soviet Union, though based on different theories, would both have had the result of precluding development and testing of space-based (and presumably other mobile) OPP systems, despite their disagreement on other aspects of the problem. The Soviet view during that period, however, was based on a reading of Article II(1) that is inconsistent with the restrictive interpretation, and in fact supports the broader view, and on a reading of Article V(1) which is radically different from any advanced by the U.S. and which lacks support in the Treaty language or negotiating history. Only after October 1985 when the broad interpretation was found fully supported by the U.S. Government did the Soviets adopt a functional definition for Article II(1). However, their interpretation of Article V(1) prohibitions remains more restrictive than the restrictive interpretation. Furthermore, this period represents less than three of the fifteen years since the entry into force of the Treaty. Finally, insufficient proof exists that the parties engaged in conduct probative of the restrictive view that was consistent and common. The parties appear to have been incapable of the most probative forms of conduct during most if not all the period from 1972 to 1985; and we have insufficient evidence in any event to judge whether Soviet behavior was in fact consistent with the restrictive view.

2. *Domestic legal obligations*

As discussed in pp. 42-55 of Part II of this study, the interpretation of a treaty for purposes of domestic law is based, in the first instance, on the principles of international law that govern treaty interpretation. In some respects, however, the obligations of the President under U.S. law with respect to the interpretation of a treaty may draw upon additional considerations, due to the allocation of governmental powers under the U.S. Constitution.

No special preference is given under international law to the interpretations of a treaty made by governmental authorities of either party. In applying the provisions of a treaty for purposes of domestic law, however, U.S. courts will typically give great weight to any reasonable interpretation articulated by the U.S. Executive Branch. As explained in Part II, this results both from the normal deference given to Executive agencies in interpreting federal statutes, and from the special deference given to the President in the interpretation of treaties as an aspect of conducting the nation's foreign affairs. While longstanding interpretations by the Executive Branch must be accorded great weight, the Supreme Court has also accorded great weight to an interpretation even though it had not been previously maintained by the Executive Branch.

The President is obliged under U.S. law to comply with constitutionally valid legislation enacted subsequent to the ratification of a treaty, even if it is inconsistent with U.S. international obligations under the treaty. Similarly, communications between the Executive Branch and Congress subsequent to ratification, while usually of little weight under international law, are likely to be given more serious consideration by U.S. courts in the interpretation of treaty provisions for domestic law purposes.

As noted in Part II, the interest in avoiding non-mutual international obligations should be weighed against finding that the President has domestic-law obligations different from those that are binding on the other treaty partner. Furthermore, the President's powers to interpret treaties and to conduct foreign affairs should not be limited absent clear indication that such limitations were specifically intended. On the other hand, while legally binding limitations on Executive discretion are disfavored, the President must give proper weight in exercising his powers to all relevant matters and evidence, including Executive Branch representations to Congress, and indications of legislative reliance on such representations.

Nothing in the record of subsequent practice of the ABM Treaty binds the President as a matter of domestic law to the restrictive interpretation. Nonetheless, a substantial number of Executive representations have been made to Congress, beginning with the 1979 ACIS, and lasting until late 1985, which support the restrictive interpretation to one degree or another. Relevant statements include those made by SDIO in its 1985 annual report (completed while the Executive Branch was beginning its first comprehensive review of the negotiating record). Congressional appropriations for SDI during FY 1985-86 were not expressly conditioned on any interpretation of the Treaty; however, Congress has legislated and appropriated funds with these representations on the record, arguably creating an expectation that the restrictive view would continue to be followed. Since October 1985, Congress appropriated funds for FY87, but did not condition their expenditure on continued observance of the restrictive interpretation. The body of substantial evidence that supports the broader interpretation has been essentially internal, and only after completion of a legal review in October 1985 has the Executive clearly articulated the broader view and communicated to Congress the evidence and arguments that support it.

The President should give appropriate weight to Executive representations made to Congress, and expectations developed by legislators, during the post-ratification period, in determining and exercising his lawful discretion to interpret the ABM Treaty. Congress, on the other hand, is also constitutionally obligated, in exercising its constitutional powers, to weigh in good faith the full record of evidence relevant to the ABM Treaty's lawful interpretation, and to defer to reasonable Executive judgments as to the meaning of such evidence, including evidence of subsequent conduct.

Mr. HELMS. Mr. President, I yield the floor, and 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. THURMOND. 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. THURMOND. Mr. President, I have listened to the debate and speeches in this body over the past 5 months about the correct interpretation of the ABM Treaty, and whether the development and testing of advanced strategic defense technologies are permitted by this treaty. We have also heard a great deal about the constitutional role of the Senate in giving its advice and consent.

In my judgment, what the Levin-Nunn amendment comes down to is what course of action best serves our national security interests. What effect will this provision have on the Strategic Defense Initiative [SDI] Program, and on the prospects for achieving deep reductions in the numbers of nuclear weapons?

During the discussion of his legal analysis of the ABM treaty, my friend and colleague from Georgia, Senator NUNN, said "* * * the American public and our allies need to understand that if we cannot solve current strategic vulnerabilities through arms control or our own strategic programs, we may have no recourse but to consider deploying some form of strategic defense." I think it is already clear that strategic defenses must be an essential and permanent element of the strategic balance. I thought so 15 years ago when I noted during the ABM Treaty ratification debate that the treaty "effectively prevents us from ever having the means to protect our population from a Soviet first strike."

When the ABM Treaty was signed in 1972, Ambassador Gerard Smith asserted on behalf of the United States that the limitations on ballistic missile defenses contained in the treaty would not serve our strategic interests unless strategic offensive arms were significantly reduced within 5 years. It is now 15 years later, and we all know that the promised follow-on reductions in offensive forces have not been realized. Instead, Soviet strategic offensive capabilities have multiplied, not decreased, as has the threat these systems pose to our own deterrent capability. In view of the failure of the SALT I/ABM Treaty formula to provide adequately for our security, we must now reconsider the contribution that strategic defenses can make in our deterrent posture.

There is another compelling reason for us to reconsider the role of strategic defenses in our security posture—that is the vast Soviet strategic defense research, developments, and de-

ployment program. Again, during the ABM Treaty ratification debate, I noted that the "Treaty overlooks the fact that present ABM deployment in the United States and the U.S.S.R. is not symmetrical." The situation is far worse today. In the past 10 years, the Soviets have spent an estimated $150 billion on strategic defense—15 times as much as the United States has spent. The Soviets have the world's only operational ABM system around Moscow, which they have been modernizing and expanding. They have also violated a central provision of the ABM Treaty with the Krasnoyarsk radar. Taken altogether, Soviet strategic defense activities raise the concern that they may be preparing an ABM defense of their national territory—the very thing the ABM Treaty was designed to prevent.

If we fail to respond to the threat posed by Soviet strategic offensive and defensive programs, the implications for our security will be very grave. To respond, we must be able to explore and develop our own strategic defense technologies in the most expeditious and effective manner possible. In the current budget environment, we should insist on no lesser standard of performance from the SDI program. It is in this regard that requiring by statute that the President follow the more restrictive of two plausible interpretations of the ABM Treaty, which would be the practical effect of the Levin-Nunn proposal, becomes very important.

The broad interpretation would permit us to delay a decision on fundamentally altering the ABM Treaty regime by several years until we had confidence that the technologies which we had developed would meet our criteria for deployment. Under the restrictive interpretation, the United States would be forced to make a decision to alter fundamentally the treaty regime simply to complete the testing portion of the research program.

Under the broad interpretation the United States is allowed to conduct research, development, and testing to maximize confidence in the feasibility of strategic defenses. Specifically, this interpretation would allow the program manager to design realistic tests to integrate fully capable weapons, sensors and battle management/command, control and communication.

The broad interpretation would reduce costs significantly and allow for greater efficiency. This is accomplished through integrated testing using the most capable hardware, as opposed to piecemeal testing. We estimate that it would save 2 years in the research program and at least $3 billion dollars in establishing the feasibility of an initial defense against ballistic missiles.

Under the broad interpretation, confidence in defense feasibility would increase much faster than under the restrictive interpretation, thereby permitting an earlier decision on the desirability of defenses.

The broad interpretation of the treaty would significantly reduce program uncertainty caused by the inherent ambiguities of the treaty under the restrictive interpretation.

The broad interpretation of the ABM Treaty would allow the United States to retain the option to deploy strategic defenses in the mid-1990's. Even under ideal conditions, the restrictive interpretation would delay deployment until the late 1990's.

In addition to the greater expense of the restrictive interpretation, each month this Nation continues under the restrictive interpretation imposes a 1½ to 2-month delay in the deployment of defenses based upon the results of SDI research.

These findings, which have been presented in briefings and testimony to the Subcommittee on Strategic Forces and Nuclear Deterrence, make clear that restructuring the SDI program to take advantage of the broad interpretation of the ABM Treaty provides advantages from the point of view of cost, schedule, and confidence in the results of our SDI program. While we debate these legal technicalities, there can be little doubt that the Soviets are pursuing their own version of the SDI program unimpeded by such internal debate.

Mr. President, in the end, SDI testing is not primarily a legal or constitutional question but a political one. Should the United States pursue the development of strategic defenses for deployment as quickly and as efficiently as possible, or should we be unilaterally bound to an interpretation of the ABM Treaty that costs us time and money? I think the answer to this question is clear—we should enhance our security through strategic defenses as quickly as we can.

The Levin-Nunn amendment, by requiring as a practical matter that the President follow the more restrictive of two plausible interpretations of the ABM Treaty, would legislate inefficiency in the program at a time when we should be getting the most for our scarce defense dollar.

Mr. President, I urge the adoption of the amendment to strike the Levin-Nunn amendment.

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. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

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

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

(The remarks of Mr. EXON are printed later in the RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. WIRTH. 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. WIRTH. Mr. President, thank you very much.

Mr. President, section 233 of the Department of Defense authorization bill for fiscal year 1988, as reported by the Senate Armed Services Committee, prohibits the use of funds for the development and testing of anti-ballistic missile [ABM] systems or components which are sea-based, air-based, space-based or mobile land-based, unless the President submits a report to Congress specifying the systems he proposes to develop and test, and Congress passes a joint resolution to so authorize. The provision is based on language in the 1972 ABM Treaty.

OPPONENTS OF THE LEVIN-NUNN PROVISION ARGUE

Passage of the Levin-Nunn provision would represent a major concession to the Soviets by preventing development and testing of systems the Soviets fear without extracting similar concessions from them. Critics further argue that Levin-Nunn undercuts the administration's hard bargaining line in other ongoing negotiations.

THE LEVIN-NUNN PROVISION DOES NOTHING OF THE SORT

The administration has not requested funds for the development and testing of mobile land, sea, or space-based ABM weapons. In fact, the administration indicated in hearings that it did not intend to request funds for such systems. The Levin-Nunn provision simply asserts the right of Congress to consider such a request before approving the expenditure of funds for such purposes. Asserting Congress' right to authorize and appropriate funds for national defense in no way undermines the administration's bargaining position on arms control. Indeed, this provision provides for expedited consideration of requests to authorize funds for the strategic defense initiative in the event that the arms control climate changes.

OPPONENTS OF THE LEVIN-NUNN PROVISION ARGUE

The provision is unconstitutional because it interferes with the President's "sole authority" to the implement and abrogate treaties. Furthermore, opponents of the provision contend it gives the House of Representatives authority in the treaty making process, something for which the Constitution does not provide.

THE LEVIN-NUNN PROVISION DOES NOTHING OF THE SORT

The Levin-Nunn provision does not interpret the treaty, it simply limits the expenditure of funds—a power well within the authority of the legislative branch. It is a power the House shares with the Senate. The provision does not grant the House a veto of any interpretation of the ABM Treaty or any other treaty. This argument is a red herring dragged across the trail of this debate to divert attention from the fact that the administration is seeking carte blanche on SDI spending.

If, on the other hand, this provision does have the effect of blocking an attempt by the current administration to reinterpret preemptively a treaty ratified by the Senate, then so be it. If this administration is successful in such an endeavor, the constitutional role of the Senate in the treatymaking process—one of the brilliant checks and balances our forefathers wrote into the Constitution to guard against the excesses of an overmighty executive—would be undermined, and the credibility of the United States in the international arena would be eroded. How could our allies—and even more importantly, our adversaries—be assured that they could securely enter into agreements with a country that reserves to itself the option to reinterpret treaties purporting to have the force of law. I detect some irony in the fact that this administration, that has repeatedly advocated restraint and conservatism in interpreting the Constitution, and which has emphasized its claim that it is nominating a strict constructionist to the Supreme Court, is attempting to broadly interpret a treaty and thereby remove the Senate from its constitutional role in the treatymaking process.

OPPONENTS OF THE LEVIN-NUNN PROVISION ARGUE

The provision prevents planning of and research on systems integral to SDI, thereby effectively slowing development of SDI and forcing us to continue to rely on the doctrine of mutually assured destruction. They further argue that this provision leaves the United States naked to a Soviet breakout in the field of ABM technology.

THE LEVIN-NUNN PROVISION DOES NOTHING OF THE SORT

The Levin-Nunn provision prevents the expenditure of funds for the development and testing of mobile land, sea or space-based weapons prior to congressional consideration of a specific authorization request. Opponents of the Levin-Nunn provision would have us believe that this means no money can be spent on research for these kinds of systems. Since 1985 SDI has received $8.6 billion for research and has used it to advance research on directed energy weapons—laser beams, kinetic energy weapons—rockets and other projectiles that destroy by impact, sensors for identifying and tracking targets, and computers and communications systems for controlling an ABM system. Enactment of the Levin-Nunn provision will not do a thing to halt these efforts. Neither will that provision prevent a United States response to a Soviet breakout from the terms of the 1972 ABM Treaty. To the contrary, this bill directs the Strategic Defense Initiative Office to fully fund near-term deployment options for just such a contingency. By the same token, we should be careful not to rush into premature development and testing of these costly technologies. The expense of development, testing and early deployment of near-term SDI technologies may well, in our current circumstances of fiscal constraint, have the unintended consequences of freezing further research of future technologies on which could be built an effective ballistic missile defense system and not some fictional "star wars" system that some would have us believe is just around the corner. Sometimes you have to start slow to go fast. Burning rubber at the start just wears out the tires.

The Levin-Nunn provision does none of these things its detractors claim. It is prudent legislation that imposes modest restriants on a program that otherwise threatens to be a runaway train—a potential black hole—that could consume an increasingly disproportionate share of defense dollars. I have concluded that the real objections to the Levin-Nunn provision by the administration and its supporters are that it constrains their ability to pursue their SDI objectives without consulting Congress, and that it blocks an effort by the executive branch to play fast and loose with the treatymaking provisions of the Constitution.

I ask to speak at this point, having sat in the Chair for a good period of time this morning and again yesterday as we were discussing the filibuster. And I was struck on this day of the 200th anniversary of the Constitution by themes that were being debated and are being debated here today which are more than familiar and are an absolute reflection of the wonders of our political system and the strengths of our constitutional system.

Three issues have come up over and over and over again in this debate, three issues that we can I think all be proud to debate whether we are on one side of the issue or another. I happen to agree with Senator LEVIN and Senator NUNN. But let me just touch on those three as I was sitting, particularly in the last 2 days, and observing them and particularly on this historic day.

First, the suggestion that we in the Congress ought to provide the funds to the administration, sort of put it on the stump in the middle of the night and get out of there or that they would like to take the money and run.

The administration—and this country for 200 years—has always wanted it that way. And the Congress has always said, "Wait a minute, we have a responsibility to put our stamp on it." The conflict has existed for 200 years and I hope it will exist for 200 years more as to who has the power over the purse. That was in part this debate yesterday and today—take the money and run, or the power of the purse.

The second major issue that is being debated today and last night was the issue of the power, the strength and the role obviously of the U.S. Senate, and the issue of advise and consent. On foreign policy and arms control it is very clear that we in the Senate believe that there is an extraordinarily powerful and important role for us to play. The administration would like—and if you were the administration, I suspect you would argue the same thing—to diminish that role. How powerful should we be; what is our role; how much do we have to say? That is also a theme that has been debated for 200 years, and I hope will be debated for 200 years more.

The third issue which perhaps may be long term—long term being the next year, 2 years, 3 years, 5 years—and the most important relates to the authority of the Senate and the role of the Senate in treaties. What would be the perception around the world? I think if the United States singularly through the executive branch were able to change the meaning of treaties, what is the role of the U.S. Senate in conducting our foreign policy?

Three themes have been debated, Mr. President, in the last day, and many others as well. But again I get up to comment on this point. I hope we are going to come to a vote pretty quickly but I get up to comment on observing what has been going on for this period of time on this special day in our Nation's history, issues that we have been debating here that go right to the heart of our constitutional system, right to the heart of the whole question of balances between the executive branch and the congressional branch.

I thank you very much for your indulgence while I made these very brief remarks.

LEVIN-NUNN LANGUAGE TO LIMIT TESTING OR DEPLOYMENT OF SDI IN VIOLATION OF THE ABM TREATY

Mr. LEAHY. Mr. President, I rise in support of the Nunn-Levin language in the defense authorization bill. Before turning to the substance of this extremely important arms control issue, I must state for the RECORD that the 4-month filibuster of the motion to take up the defense bill is one of the most

bizarre and disturbing exercises I have witnessed in my dozen years in the Senate.

For months, loyal, patriotic members of the Republican Party refused to allow the Senate to consider the 1988 defense budget—the bill that provides over $300 billion to defend the United States. There is real concern that some may even yet attempt to kill the Levin-Nunn provision, as well as other arms control measures, by stalling the defense bill until the Senate is forced to move to other urgent items, such as the debt limit extension, the reconciliation bill, and other matters.

Their objection is not that the bill authorizes too little ammunition for our troops, or too few nuclear missiles or bombs, or not enough destroyers or fighter planes. The reason for this extraordinary filibuster is a single sentence relating to the ABM Treaty in a 218 page bill.

The sentence—the so-called Levin-Nunn language—reads:

> Funds appropriated or otherwise made available to the Department of Defense during Fiscal Years 1988 and 1989 may not be obligated or expended to develop or test anti-ballistic missile systems or components which are sea-based, air-based, space-based, or mobile land-based.

There is more, setting up a way for the President and Congress to set this restriction aside. But this is the heart of the issue.

I urge my colleagues to read that sentence closely, because maybe there is some large misunderstanding which is causing the Senate to spend so much time on an issue which should cause little or no controversy.

As I look at this language, three things are apparent to me:

First, it requires the President to obey the law.

The ABM Treaty, signed in May 1972, and ratified by the Senate, is international law and the law of this land.

That treaty permits each side to develop, test or deploy only ABM systems or components which are land-based and fixed. It allows each side to defend one site with 100 land-based, fixed ABM launchers and interceptors.

Everything else—nationwide ABM defense, development, testing or deployment of mobile land-based, air-based, sea-based or space-based ABM systems or components, or development, testing or deployment of exotic ABM technologies based on "other physical principles" not known in 1972—is prohibited.

You do not have to be a constitutional scholar or strategic expert to see at once that this is a huge legal barrier to the President's dream of a space-based, nationwide, death ray defense against ballistic missiles. As long as the ABM Treaty is accepted to prohibit what its words convey, star wars cannot get very far out of the laboratories.

The U.S. Senate—and our entire Nation—owes a great debt to the chairman of the Armed Services Committee, Senator NUNN, for making this point so abundantly clear in his authoritative studies on the subject.

Second, it withholds funding for 2 years for activities that the administration concedes could not be carried out during this period in any event.

A Martian who suddenly dropped by to observe the Senate in action could be forgiven for being a little puzzled about this cosmic debate.

The bill would not authorize funds for certain SDI tests that the administration says it could not conduct within the next 2 years anyway.

General Abrahamson, the head of the SDI Program, testified to Congress that he can carry out the President's research and development program for at least the next 2 years without violating the so-called traditional interpretation of the ABM Treaty.

Third, it defers—rather than settles—the issue of the traditional versus the broad interpretation of the ABM Treaty.

The original Levin amendment, as I understood it, would have prohibited funding for any activity which would violate the traditional interpretation of the ABM Treaty, this is any development or testing of the space based kinetic kill system the administration has fixed on.

The Levin-Nunn compromise draws back from the flat prohibition on violating the traditional interpretation of the ABM Treaty. It in effect defers the issue of which interpretation is correct, and provides a mechanism for the President to set aside the funding restriction and carry out tests, with the approval of Congress, that would go beyond the traditional interpretation.

Frankly, I consider this dodging of the basic issue a flaw in the Levin-Nunn language. It fails to quash once and for all the Reagan administration's attempts to rewrite the meaning of a treaty that was ratified by the Senate 15 years ago. If the U.S. Senate's role in ratifying treaties is to remain more than a formality, I believe we should be reaffirming our equivocal commitment to the ABM Treaty as presented to the Senate during the ratification process in 1972.

However, I will join my good friends, the Senators from Michigan and Georgia, in voting against efforts to strike or weaken their provision in this defense bill. Deferral of the issue for 2 years and continuation of the traditional meaning of the ABM Treaty for that period is certainly far better than leaving the administration a free hand to gut the treaty. But, let the record be clear that I would rather settle the issue here and now that the ABM Treaty means what it says, and the United States has entered into a solemn international commitment to abide by that clear meaning.

Mr. ADAMS. Mr. President, for the last few months we have been debating, in one form or another, a number of critically important questions related to the role of the Senate in the treaty making process and to the proper interpretation of the ABM Treaty. Those are interesting questions, and I would be delighted to join that discussion, but I would submit that neither question is relevant to the specific language proposed by Senators LEVIN and NUNN or to the motion by Senator WARNER to strike that language.

I have looked carefully at the Levin-Nunn language. I have studied the report of the Armed Services Committee on this language. I have listened to the two authors of the language discuss it on the floor. And while one can certainly agree that the language is a response to the administration's new interpretation of the ABM Treaty and their advocacy of the broader reading of the treaty, the Levin-Nunn language does not seek to endorse or reject the administration's interpretation. All it says is that the administration must come to the Congress and get specific authorization for funds to be spent on projects which are allowed under their reading of the treaty but prohibited under the traditional interpretation of the ABM agreement. It does not say that the administration is precluded from making such a request. It does not say that the Congress will not approve such funds. In short, it does not in any way prejudge the issue; it simply protects the right of the Senate, at the appropriate time, to make a judgment.

That is all it does, and that is what the Congress has always done.

We did this on the MX missile and dozens of other weapons systems. We have done it in other policy areas. And hopefully we will continue to do it. This is nothing more than using the power of the purse—the unquestioned power of the Congress.

I can understand why supporters of the broad interpretation of the ABM Treaty and supporters of early deployment of SDI might oppose the Levin-Nunn language, but I would tell them that the Levin-Nunn language does not prevent early deployment nor does it deny the possibility that the President's interpretation of the treaty is correct, even though I do not accept or agree with the President's attempts to reinterpret this treaty.

Earlier this year, Senator BIDEN introduced legislation, which I was pleased to cosponsor, which did reach the conclusion that the President's interpretation is incorrect. But the Levin-Nunn language does not do that.

Listen to the language of the Committee report: "Without prejudging the wisdom and desirability of undertaking testing, development and deployment of mobile/space-based ABM's using exotic technologies, it is imperative that Congress in general—and this committee in particular—examine in detail any proposed expenditures that would involve such a substantial change in policy." That does not say that the President is wrong in his reading of the treaty or that Senators LEVIN and NUNN are right. It says we do not want to make that choice now.

Beyond that, as the committee report indicates, we do not need to make that choice now. As the committee report makes clear, delaying a decision in this bill does not have a practical impact on existing plans. The committee report indicates that "the administration has stated that its research and development program for the Strategic Defense Initiative complies with the prohibition on testing and development . . . [and] the administration has not requested any funding for fiscal years 1988 or 1989 to test or develop mobile/space-based ABMs using exotics." In short, even if the Levin-Nunn language was a prohibition—and, again, I do not believe that is an accurate characterization—it would prohibit something which the administration does not intend to do anyway.

There are, however those who claim that even if the Congress is acting within its constitutional right to exercise the power of the purse in this regard, it ought not use that power. They believe that such an action unjustly restricts the President's ability to negotiate with the Soviets. Well that is not the conclusion of the committee. Their report indicates that "the committee believes this feature [the waiver of the prohibition by a vote of both Houses of Congress] will give the President flexibility in arms control negotiations." Indeed, the comittee was so concerned about the negotiating flexibility that the Levin-Nunn language gives the President that it warned that "it would be a serious mistake, however, for the administration to view this section as an invitation for it to implement the so-called new interpretation of the ABM Treaty or to proceed with an early deployment scheme for SCI." On balance, then, I believe the Levin-Nunn language gives the President the authority and flexibility he needs while retaining for the Congress the right to exercise its obligations under the Constitution.

Mr. President, I have been discussing the "neutrality" of the Levin-Nunn language. I want to close by expressing, briefly, my own lack of neutrality on the underlying issue of SDI. My opposition to SDI is, I hope well known. For a variety of practical and philosophic reasons, I simply do not think that SDI is a viable addition to our national defense strategy. Beyond that, I am not neutral on the interpretation of the ABM Treaty. I have studied Judge Sofaer's analysis of the treaty, I have studied the analysis of Senators LEVIN and NUNN as well as the studies submitted to the Senate by others who support the reinterpretation. I am convinced, on the merits of the case presented, that the traditional interpretation is correct and that is why I have co-sponsored the Biden bill. But again, I urge my colleagues to look beyond the rhetoric and the merits of the underlying issue: the Levin-Nunn language does not reach that issue and does not employ that rhetoric. It does not pass judgment on the merits of one interpretation or the other; it simply affirms the judgment made by our Founding Fathers that the Congress of the United States has the authority and the responsibility to use the power of the purse to guide national defense policy. And that is what this debate should be about.

Mr. KENNEDY. Mr. President, I rise in opposition to the motion by Senator WARNER to strike the Levin-Nunn language from the Department of Defense authorization bill. This language simply imposes an obligation already required by the ABM Treaty. It would establish a 2-year prohibition on the Defense Department from using funds to develop or test any antiballistic missile [ABM] systems that are sea-based, air-based, space-based, or mobile land-based.

In my view, this is the most important provision in the Defense authorization bill. It is a crucial brake on the Reagan administration's ill-advised and obscenely expensive strategic defense initiative. This amendment simply seeks to uphold the law of the land. It would bar the administration from expending funds on ABM systems prohibited by the traditional interpretation of the ABM Treaty without the prior consent of the Congress.

This provision would not be necessary if the administration had followed the interpretation of the ABM Treaty that every previous administration has endorsed and operated under. The Nixon administration, the Ford administration, the Carter administration, and even the Reagan administration through its first 4 years in office recognized that the ABM Treaty prohibited the development and testing of space-based ABM systems.

But, in late 1985, the Reagan administration announced a new interpretation of the 15-year-old treaty that would allow such development and testing. This vital decision was taken without consulting Congress—despite the Senate's constitutional role in the ratification of treaties. It was taken without consulting the allies—despite the treaty's critical importance to their defense. It was taken without consulting the Soviet Union—despite the existence of the standing consultative commission for the resolution of treaty interpretation disputes.

No one here who supports the Levin-Nunn language argues against research to explore promising avenues in antimissile technology that have opened up in recent years. But at the point that star wars research turns into star wars testing and deployment, we must draw the line.

In fact, the ABM Treaty already draws that line. That treaty is as much in the interest of the United States in 1987 as it was in 1972 when the Senate ratified it by the overwhelming margin of 88 to 2.

That treaty eliminated one entire arena of competition between the superpowers. Without that treaty, we would have spent the past 15 years in a full-throttle drive to develop complex, costly and ultimately ineffectual nuclear defenses.

But now the administration wants to take off the brakes. Propelled by the hocus-pocus of the star wars fantasy, this administration is engaged in an unseemly and unprecedented attempt to circumvent the Senate, to reinterpret the ABM Treaty without withdrawing from it, to wriggle out of it without repudiating it, in other words to violate the law of the land.

I urge the administration to stop hiding behind false loopholes and to speak honestly to the American people. If they believe that the ABM Treaty no longer serves the interests of the United States, let them say so. Let them be candid with the American people, and let them abrogate the ABM Treaty in the way that its language provides. and then let the American people judge for themselves which course to follow—by casting their votes at the polls. I am confident that the choice will be clear—nuclear arms control on Earth, not a nuclear arms race in space.

In the life of every Congress, there are moments of historical choice, moments when the votes that are cast change the course of our Nation's history. This is one of those moments, I urge my colleagues to look into the future to a time when we will be called to account by the next generation of Americans and by succeeding generations. Let us cast this vote to reaffirm the rule of law in our own country and to stand behind our solemn commitments—with friends and adversaries alike. This is one vote that truly will be heard around the world.

Mr. BYRD. Mr. President, I have the following unanimous-consent request which has been cleared with both managers and Senators on both sides of the aisle:

It is ordered that the Senate proceed immediately to the consideration of an

amendment by Mr. QUAYLE dealing with the Krasnoyarsk radar, that there be 30 minutes time limitation thereon to be equally divided in accordance with the usual form, that the amendment by Mr. GLENN be temporarily set aside, and that the vote in relation to the pending amendment by Mr. WARNER occur tomorrow morning at 9:30 a.m.; and provided further that no amendments be in order to the amendment to be offered by Mr. QUAYLE.

The PRESIDING OFFICER. Is there objection?

Mr. NUNN. Mr. President, reserving the right to object and I shall not object.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I am sure the way the majority leader worded that unanimous-consent request in reference to the Warner amendment it would permit a motion to table to be made.

Mr. BYRD. It would.

Mr. NUNN. I could be recognized.

Mr. WARNER. Mr. President, that part of the unanimous-consent request remains intact. It is just a question of sequencing it.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Mr. President, I see the proponent of the amendment here and I wonder if the majority leader and others will recognize him for a moment.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the Quayle amendment which has not been offered.

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

Mr. BYRD. Mr. President, does the Senator want to order the yeas and nays on the amendment?

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The foregoing request is agreed to.

AMENDMENT NO. 683

Mr. QUAYLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Indiana [Mr. QUAYLE] proposes an amendment numbered 683.

At the appropriate place insert the following:

SEC. SENSE OF CONGRESS ON THE KRASNOYARSK RADAR.

(a) FINDINGS.—The Congress finds the following:

(1) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying ballistic missile early warning radars except at locations along the periphery of its national territory and oriented outward.

(2) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying an ABM system to defend its national territory and from providing a base for any such nationwide defense.

(3) Large phased-array radars were recognized during negotiation of the Anti-Ballistic Missile Treaty as the critical long lead-time element of a nationwide defense against ballistic missiles.

(4) In 1983 the United States discovered the construction, in the interior of the Soviet Union near the town of Krasnoyarsk, of a large phased-array radar that has subsequently been judged to be for ballistic missile early warning and tracking.

(5) The Krasnoyarsk radar is more than 700 kilometers from the Soviet-Mongolian border and is not directed outward but instead, faces the northeast Soviet border more than 4,500 kilometers away.

(6) The Krasnoyarsk radar is identical to other Soviet ballistic missile early warning radars and is ideally situated to fill the gap that would otherwise exist in a nationwide Soviet ballistic missile early warning radar network.

(7) The President has certified that the Krasnoyarsk radar is an unequivocal violation of the Anti-Ballistic Missile Treaty.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Soviet Union is in violation of its legal obligation under the 1972 Anti-Ballistic Missile Treaty.

Mr. QUAYLE. Mr. President, parliamentary inquiry. I presume the time is equally divided between the two sides; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. QUAYLE. I yield myself 5 minutes.

Mr. President, this sense-of-the-Congress resolution is relevant to the debate and one that is probably more necessary tonight given the recent publicity on whether the Krasnoyarsk phased-array radar is in fact a violation of the ABM Treaty. It is exceedingly relevant to this debate to consider this because tomorrow morning we are going to be voting on an amendment dealing with what kind of interpretation we are going to have on the ABM Treaty.

I, quite frankly, believe the votes on the first round will favor having the narrow interpretation be the interpretation that the Senate wants to side with. That will be a narrow interpretation of a treaty that the Soviet Union clearly violates. So this is a very relevant and important issue that the Senate is going to vote on. I imagine the vote will be unanimous or close to unanimous.

Second, Mr. President, I think it is very important and timely at this opportunity to once again affirm that the Krasnoyarsk phased-array radar presently located is, without any question a violation of the ABM Treaty; that the only way that they are not going to be in violation of this treaty is to take it down.

We had a couple of Congressmen that were over there recently that came back and made a number of public statements and said they were not certain that this was a violation of the treaty. They said, "Well, it was not really operational," and there was all sorts of hedging and hemming and hawing. And the Soviet Union was very adroit in being able to allow them to go out and see this and to get all sorts of publicity on whether it was or was not a violation of the ABM Treaty.

I believe tonight what the Senate will do is go on record once again affirming what the President has certified, that this Krasnoyarsk phased-array radar is a clear violation of the ABM Treaty.

Now it says this: It says that that treaty is being violated not by the United States.

As a matter of fact, this administration still adheres to the narrow interpretation of the treaty. But the Soviets have violated it. That is what, Mr. President, one might logically conclude as a little bit of a double standard.

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. The Senator from Indiana has a right to be heard and will be heard.

The Senator may proceed.

Mr. QUAYLE. Mr. President, what we have is somewhat of what one might logically perceive to be a little bit of a double standard, as our administration presently has a narrow interpretation rather than a broad legal interpretation of the ABM Treaty.

I yield myself an additional 2 minutes, Mr. President.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. QUAYLE. As I said, the United States of America adheres to a narrow interpretation, even though we could go to a broad or legal interpretation and the Soviet Union unilaterally violates this treaty.

Now, at least in my home State in the coffee shops, if you lay out the facts, they would say, "Yeah, that is a double standard. No doubt about it." Not only do we adhere to it, we adhere to it in a very narrow, restricted basis and yet the Soviet Union can unilaterally violate it without any response. They can just callously do this. They have gotten away with it in the past and I presume they will probably get away with it in the future.

But this amendment is an amendment that will confirm once again that we consider this is a violation of the ABM Treaty. It passed the House in May by 418 to 0.

I believe, particularly in light of all the publicity, front-page news stories in the news that raised some question, possibly some question about whether this is a violation of the ABM Treaty, I think the Senate will make it clear just what the real truth is.

There is no question, despite what the Congressmen may have in fact suggested, that it is a violation and I think everybody knows that.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, does the manager of the bill have the control of the time?

Mr. NUNN. I yield such time as the majority leader may desire.

The PRESIDING OFFICER. The manager of the bill controls the time if he is opposed to the amendment.

Mr. BYRD. Suppose nobody is opposed to it.

Mr. NUNN. What if the manager of the bill is undecided?

Mr. WARNER. Mr. President, I have time, do I not, on this side?

The PRESIDING OFFICER. If the manager of the bill does not oppose the amendment, the time is controlled by the minority leader or his designee.

Mr. NUNN. Mr. President, I do not oppose the amendment. As a matter of fact, I agree with the amendment. I intend to vote for the amendment. So I fall under that set of conditions. I forfeit my time under my control to the majority leader, who I am delighted to yield to.

Mr. BYRD. Mr. President, I believe, under the usual form, the distinguished Senator from Virginia would control the time. By virtue of the fact that the manager supports the amendment and the minority leader is not here, his designee is here and has control of the time.

Mr. WARNER. Mr. President, I yield such time as is desirable to the majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on the motion to table the pending Warner amendment, which motion will be made tomorrow morning at 9:30 a.m.

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

Mr. BYRD. Mr. President, I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. I thank all Senators.

Mr. WARNER. Mr. President, I wish to speak in behalf of the amendment by my distinguished colleague from Indiana. It is my understanding—and, forgive me, while I was engaged in the colloquy with the majority leader, did the Senator not mention the action the House has taken on a comparable measure? I think it would be very helpful to this body if you would recite the history of this amendment, which I join in supporting, by the House of Representatives.

Mr. QUAYLE. The Senator is correct. I did refer to the vote in the House, which was 418 to 0. I also pointed out the relevancy of this amendment, particularly on the vote that is going to take place tomorrow. Beyond being relevant to the debate on what the interpretation of the ABM Treaty should be and how we have a narrow interpretation and yet they violate it, this amendment speaks to the recent visit of a few Congressmen who went over there and came back and placed in doubt, at least in public statements, whether this was a violation or not. I think it is very appropriate that the Senate go on record and once again confirm what the President has certified that we do find a clear violation of the ABM Treaty.

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

Mr. President, I yield such time as the Senator from California may desire. And with the concurrence of the Senator from Indiana, we should urge any other of our colleagues who may wish to speak on this amendment to come forth. Otherwise, in a few minutes we could presumably yield back such time here that may be remaining.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. I thank the Chair and I thank the distinguished manager.

I rise to support the Quayle amendment and to commend the Senator from Indiana for bringing this amendment before us. We need not take much time because he has, with succinctness and eloquence, expressed very clearly the importance of this measure. It very forthrightly simply states that the radar at Krasnoyarsk is a flat violation of the Anti-Ballistic Missile Treaty.

What we have there is a violation both by location and though there seems to be some doubt on the part of recent observers, there seems to be little doubt on the part of others, certainly by intelligence agencies, that it is also a violation in terms of the battle management capability of that radar.

Mr. President, the significance of that violation is very great. I think what this indicates is that we have laboring, as Senator QUAYLE has put it very well, under a real double standard.

I would only hope that we not aggravate that double standard by an imprudent action with respect to the Levin-Nunn amendment. Because we risk very greatly, aggravation of that double standard and the consequences that flow from it are that we will be put at a considerable disadvantage.

But that, I think, is enough for the present time. What we have seen is that those who have been pressing the United States to observe the letter of the law and who have pressed us to accept a narrow interpretation of the treaty have themselves been guilty of a very clear violation of even the unambiguous parts of the treaty.

Mr. President, that speaks volumes. It is very difficult for us to trust someone who urges a course of action and then follows, themselves, an entirely contradictory course. Indeed, I do not think we can engage in trust. The stakes are too high. The past performance is too clear.

This is an unhappy, recent, and very significant addition to the list of instances of Soviet cheating on arms control agreements.

What that means is that we are not exempted from dealing with the other superpower, but it imposes on us an absolute duty to do so with very clear eyes; with no illusions; and with the kind of very hard-headed realism which makes it clear we will be interested only in a very wise agreement that actually safeguards the interests of the United States and that we will not seek agreement purely for the political advantage of having an agreement.

So, to my friend from Indiana, I express my gratitude. I would ask that he add me as a cosponsor to his amendment.

I thank the Chair.

Mr. QUAYLE. I ask unanimous consent that Senator WILSON be added to the cosponsors.

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

Mr. QUAYLE. Mr. President, I ask unanimous consent that a number of articles regarding the Krasnoyarsk radars be printed in the RECORD.

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

[From the Wall Street Journal, May 13, 1987]

THE KRASNOYARSK RESOLUTION

The House voted last week to put strict limits on U.S. strategic-defense spending to avoid any violation of the Anti-Ballistic Missile Treaty with the Soviet Union. But in a separate action that attracted almost no notice, the very same members of Congress unanimously agreed that the Soviets already have broken the ABM accord.

By a vote of 418-0, the House Thursday resolved: "It is the sense of the Congress that the Soviet Union is in violation of its legal obligations under the 1972 Anti-Ballistic Missile Treaty."

The resolution, offered by freshman Rep. Curt Weldon (R., Penn.), focused specifically on the Soviet Union's ABM radar at Krasnoyarsk. It noted that the ABM radar at Krasnoyarsk. It noted that the ABM treaty prohibits early-warning radars except along the periphery of a nation's territory and only if they are oriented outward, and also bans deployment of an ABM system to defend national territory. (Only one ABM site, either covering a missile field or the nation's capital, is permitted under the accord.)

The House then went on to recognize that the Krasnoyarsk radar is "for ballistic mis-

sile early warning and tracking" and is "not directed outward but instead faces the northeast Soviet border more than 4,500 kilometers away." It also said that the radar is "ideally situated to fill the gap that would otherwise exist in a nationwide Soviet ballistic-missile early-warning radar network." The House further accepted President Reagan's certification that Krasnoyarsk is "an unequivocal violation" of the ABM treaty.

House liberals and conservatives, SDI opponents and proponents, arms controllers and arms-control doubters are now jointly on record as finding that the Soviet Union is in violation of its "legal obligation" under the ABM treaty. No one any longer accepts the Kremlin's propaganda that the Krasnoyarsk radar is merely for spacecraft tracking. It is, rather, part of a developing Soviet ABM network.

The Senate now has an obligation to address a similar resolution on the Krasnoyarsk radar. It was, after all, the Senate and not the House that ratified the ABM treaty in the first place. It is, therefore, the Senate's responsibility to determine whether the Soviets are complying with its provisions, instead of arguing about legalistic "narrow" or "broad" interpretations of the ABM negotiating record.

[From the Wall Street Journal, Apr. 13, 1984]

AN ARMS-CONTROL CRAVING

(By Carnes Lord)

Four years ago, there was every reason to believe that the 1980s would be marked by a new realism in the American approach to arms control. The failure of arms control to constrain the Soviet military buildup of the 1970s had become generally apparent; the Soviet invasion of Afghanistan shattered whatever hopes continued to be harbored for detente and stopped in its tracks the second strategic arms limitation agreement (SALT II). The election of Ronald Reagan brought to power an administration that was deeply concerned about the deterioration in the U.S.-Soviet military balance and was disposed to lay at least some of the blame for this on the exaggerated expectations generated by the advocates of arms control and on the political dynamics of the "arms-control process." This skepticism about the virtues of arms control seemed to be in harmony with the mood of the American public and Congress. To the incautious observer, it very much looked as if the Reagan administration had a clear mandate to take the problem of arms control and fix it.

Instead, of course, the past four years have witnessed a surge of anti-nuclear feeling in the country at large. And among the intellectual and policy elite there has been a renewal of enthusiasm for arms control that seems remarkably untempered by the experience of the recent past. As the 1984 presidential election approaches, the Democratic hopefuls have vied with one another in support for new arms-control initiatives of varying degrees of irresponsibility. More surprisingly, the president has come under steady pressure from Republicans in Congress and from elements of his own administration to demonstrate ever new flexibility, including unilateral concessions, in arms-control talks with the Soviet Union. This is in spite of the demonstrative Soviet walkouts from negotiations on nuclear weapons, and in spite of the mounting evidence of Soviet violations of existing agreements.

VERIFICATION AND COMPLIANCE

Nothing is more revealing of the dubious impulses animating the unilateralist arms-control revival than the failure of its champions to come to grips with the problem of verification and compliance. For many years, arms-control enthusiasts have paid lip service to the need for effective verification of agreements, but have failed to devote serious attention to the operational and political difficulties (as opposed to the technical limitations) that face any verification effort. On the contrary, the efficacy of existing verification methods and approaches has been consistently overstated, while compliance problems have been played down.

Above all, the evidence that has accumulated over the past decade or so of Soviet violations, near violations, exploitation of loopholes and negotiating deception has been treated in cavalier and exculpatory fashion, when it has not been simply ignored. As if the purpose and context of agreements were wholly irrelevant to the issue, the U.S. government has been asked to concern itself only with violations in a strictly legal sense. Moreover, it has been expected to employ standards of legality which, though proper in a criminal prosecution under domestic law, are wholly inappropriate to a situation where (Russian) witnesses cannot be forced to appear, evidence is incomplete for deliberately withheld), sources cannot always be revealed because of intelligence sensitivities, and the law itself lacks an authoritative neutral interpreter. Ambiguities in factual evidence or in the language of agreements have been taken by many as sufficient reason for disregarding possible violations. Not only have Soviet explanations been credited that were palpably false: arms control advocates have actually constructed briefs for hypothetical Soviet positions of greater ingenuity than anything the Soviets themselves were able to come up with. And even where a legal violation is recognized as certain or highly probable, its significance tends to be dismissed. In all cases (but most notably in the area of Soviet anti-ballistic missile activity), evidence for violations has been dealt with in piecemeal and isolated fashion, with little attempt to see it in the broad context of Soviet compliance behavior generally or of Soviet strategic intentions.

This complex of attitudes is currently facing its most severe test. A report submitted by President Reagan to Congress on Jan. 23 lays out the results of an intensive study of the evidence for Soviet noncompliance with arms-control agreements in seven areas. In one of these areas—chemical and biological warfare—the U.S. has for some time formally accused the Soviets of violating the relevant agreements. Despite strenuous and continuing efforts to discredit these charges, they have been confirmed by refugees and by independent analyses carried out in a number of European countries. Of the other issues, the most significant concerns the Anti-Ballistic Missile Treaty of 1972. The construction of a phased-array ballistic missile early warning (BMEW) radar by the Soviets near Krasnoyarsk in southern Siberia—in contravention of the treaty requirement that such radars can only be deployed at locations on the national periphery and oriented outward—opens an entirely new chapter in the history of Soviet compliance behavior. If Soviet activities in the chemical and biological area may be said to be the first unambiguous treaty violation whose military significance bears importantly and directly on the U.S.-Soviet strategic nuclear balance.

The intent of the relevant provision of the ABM Treaty was to prevent either party from creating the base for a territorial ABM system by building a network of BMEW radars that could be used not only to warn of a missile attack but also to aid in the tracking and interception of incoming nuclear warheads. While there is room for disagreement as to the extent to which this and similar radars already in operation on the Soviet periphery were specifically designed to perform an ABM "battle management" function, they have an inherent capability to perform that function. And the characteristics of the new radar as well as its location near a number of ICBM deployment areas suggest that its primary purpose is indeed ballistic missile defense.

A recent report by the Federation of American Scientists contained a claim that the Krasnoyarsk radar is primarily for space tracking rather than early warning or missile defense and is thus allowed under the treaty. That is simply false. While the president's report stops short of simply calling the radar a violation (it uses the phrase "almost certainly"—for reasons that have not been explained).

In assessing the significance of the Krasnoyarsk radar, it is necessary to consider both how it fits into the overall picture of Soviet ABM-related activities and what it reveals about Soviet intentions. What is worrisome is not the Soviet BMEW radar net by itself, but its potential when linked with other air defense and ABM radars and interceptor missiles. For years, the Soviets have taken advantage of ambiguities in the ABM Treaty to develop and test air-defense systems against ballistic missile targets, and they have developed small ABM radars that probably could be rapidly deployed throughout Soviet territory. Should the Soviets choose to free themselves from the treaty's constraints, they would now have in place the long lead-time elements that would permit rapid expansion to an effective nationwide ABM system. As for Soviet intentions, the very fact that they seem to have been prepared to face the consequences of a deliberate and massive violation of the ABM Treaty must raise ominous questions about their next moves.

BANKRUPT APPROACHES

What is to be done? While no one will deny that it is difficult to devise effective strategies for response to violations, it is also clear that current approaches have proved to be bankrupt and are no longer an effective deterrent to further violations. To continue to pretend that all compliance issues can be resolved simply through patient discussion with the Soviets in confidential channels such as the Standing Consultative Commission is perfectly idle. This view assumes that all compliance issues rest on misunderstanding and that both parties are dealing in good faith, whereas nothing could be further from the truth.

What are needed are real penalties—withdrawal from agreements or suspension of particular provisions, and political and military countermeasures. The U.S. has never exacted such penalties for any Soviet action in any arms-control area. Unless and until we do, the Soviets will grow more brazen yet in their disregard for treaty obligations, and the U.S. will approach ever more closely that condition—familiar from the annals of Western disarmament efforts in the 1930s—

where generous forbearance and blind hope give way to impotence and appeasement.

[From the New York Times, Jan. 28, 1987]

RADAR TRAP, AND OPPORTUNITY

The United States is building missile warning radars at Thule in Greenland, a Danish territory, and Fylingdales in Britain. Soviet officials and some Americans assert these violate the Antiballistic Missile Treaty. The issue is being debated this week in Denmark, too. American critics suggest halting construction if the Russians will stop building an almost certainly illegal missile-sensing radar at Krasnoyarsk in Siberia. The proposal is both a trap and an opportunity.

A straight trade is the wrong idea. The American radars do not appear to violate the treaty. But the recent Soviet acknowledgment of a problem at Krasnoyarsk needs to be explored, not spurned.

Built inland, the Krasnoyarsk radar affronts the ABM Treaty, which permits such radars only on the edge of a nation's territory. The device is a large phased array radar, in which the beam is moved electronically instead of by a steerable dish. These powerful instruments can serve several uses, like space tracking, early warning of missile attack and direction of interceptors against missiles aimed at targets within their beam.

That's why the framers of the ABM Treaty specified that all early warning radars should be on a country's borders facing outward, physically precluding them from serving in an antiballistic missile role. If the Krasnoyarsk radar can space-track, the legal function for which the Russians say it is designed, it can also do early warning and maybe missile defense. By any reasonable reading of the treaty, the radar is in the wrong place

Only after the United States complained did the Soviet Union object to the new Thule and Fylingdales radars. It suggested work on all three radars should cease. But the seeming symmetry of this clever suggestion vanishes on inspection. The ABM Treaty permitted the early Warning radars then existing at Thule and Fylingdales. As a general rule, it permits modernization. Following a decision of President Carter's, the Administration is replacing the old steerable dish radars at the two sites with large phased array radars. This will, true, vastly increase the radars' coverage and capacity to define targets. Still, the raders are at sites covered by the treaty with the same early warning function as before.

Critics now argue that the new radars are impermissible Replacing a steerable dish with a phased array radar they say, is like building a nuclear power plant in place of a wood stove and calling it modernization. More specifically, a section of the ABM Treaty, called Agreed Statement F, prohibits phased array radars as large as those planned for Thule and Fylingdales. But modernization is generally permitted, regardless of technology, and one of the exceptions to Agreed Statement F accepts early warning radars at both sites.

Given the Aministration's folly in repudiating the second stratetic arms treaty, its critics are right to fear it may seize on the Krasnoyarsk radar to undermine the ABM Treaty, too. But contriving to equate the Thule and Fylingdales upgrades with Krasnoyarsk is not the answer.

The Administration's lofty dismissal of the Soviet offer is not the right response either. With creative diplomacy, Krasnoyarsk could be the lever for clearing up other doubtful Soviet activities as well as questions about Thule and Fylingdales. Fixing these issues in existing arms treaties would be the best preparation for any new agreement.

[From the Washington Post, Feb. 5, 1985]

THE KRASNOYARSK RADAR

A year's further discussion of whether the Soviet Union is respecting its arms control obligations has produced more of a consensus than most people had thought possible. The release of President Reagan's latest congressionally mandated report on "Soviet noncompliance with arms control agreements" makes this clear.

The main thing that has happened since the last report is that public attention has focused on one alleged violation—the Krasnoyarsk radar. Most of those who previously hesitated to call it a violation of the 1972 Antiballistic Missile Treaty (ABM) have stopped hesitating. It has become very hard to deny that the Soviets set out shortly after the treaty was signed on a course specifically blocked by the treaty, that they stone-walled through years of American efforts to induce them to admit it or correct it and persist on that course to this day. Fewer people remain to say that it really doesn't matter all that much and that, in any event, it's wrong to talk about it in public.

Some Americans feared—others hoped—that official efforts to nail the Kremlin on this violation would unravel the whole arms control process. This has not happened: President Reagan and the Russians are headed back to full-scale negotiations at Geneva. But there have been other major consequences. The American standards for verification of new agreements have been toughened. And major impetus has been given to the idea of an American defense against ballistic missiles—this is the idea embodied in the president's Strategic Defense Initiative. Unlike the Soviet radar at Krasnoyarsk, this program, in its current, research phase, is entirely consistent with the ABM Treaty.

A few Soviets have hinted that, if Moscow felt it could avoid public embarrassment, it might find a way to halt construction on the radar or otherwise signal that it understood American sensitivities. But of course Moscow had years to do just that, and so far has chosen not to, even though it was being discreetly pressed on the matter by Americans of very different political persuasions.

Is there not someone in the Kremlin with the wit to recognize the immense Soviet interest in quietly unfolding a few tarpaulins at the Siberian construction site? What a pity that its political radar is so inferior to that huge electronic radar being built at Krasnoyarsk.

[From the Wall Street Journal, Apr. 23, 1985]

VIOLATIONS AND DOUBLE STANDARDS

Release of a Pentagon report on the Reagan strategic-defense initiative has uncovered a theological rhubarb over arms control. The narrow issue is whether testing for the U.S. "Star Wars" program will violate the 1972 Anti-Ballistic Missile Treaty, which by now nearly everyone agrees has already been broken by the Soviet Union. The argument illustrates the double standards that dominate the arms-control discussion. And it raises the question of how you get out of a treaty that threatens the strategic balance and national security.

With Star Wars, Mr. Reagan wants to actually defend against nuclear missiles, which is what the ABM treaty seeks to prevent. The treaty bans deployment of certain ABM components, does not seek to prevent research, but does have some provisions limiting testing. So far, Mr. Reagan has asked for research and testing but not deployment. The issue is what tests are allowed by a treaty that bans tests of ABM "components" without exactly explaining what is a "component."

The Pentagon report describes the tests and avers that while testing involves "gray areas," it plans to "make certain" that "the U.S. is in compliance." A detailed section explains the difference between a "component" and a "sub-component," and how U.S. testing involves the latter.

Arms controllers warm that breaching the "gray areas" may wreck the treaty. Yet almost all factions now concede the Soviets have already violated it, apparently without wrecking it as far as U.S. tests are involved. For years some of us have been complaining about Soviet testing and deployment of surface-to-air missiles, some reloadable; mobile radars tested in an "ABM mode"; and all the other components needed for a breakout into a nationwide defense. Arms controllers dismissed these isolated developments as strategically insignificant, only "gray-area" violations.

With the ABM treaty—which tries to limit technology, an ambigious and changing thing—nearly everything is . . . So under the double standard that arms controllers seek to apply, Soviet activity right up to the point of a nationwide ABM capability is "gray" and therefore allowable. But at the same time U.S. research is also gray—but therefore not allowable. That there can even be a heated debate on whether this-or-that test is a violation point illustrates the inherent, object flaw of the ABM treaty.

The Pentagon's report rightly question this "double standard," but it also embodies a double standard or two of its own. For example, if the Soviet research and testing really is aimed at a large capability to break out of the treaty quickly, why should we worry about whether our research and testing comply? More fundamentally, why are we spending all this money on research if we are going to abide by a treaty that outlaws deployment of the weapon if the research is successful?

There is a strong case to be made for a ballistic-missile defense program, but it cannot be made hiding behind contradictory rationales. A serious case would probably start from the premise that, even if not violated, the ABM treaty is a bad thing, for us and the Soviets. It seeks to limit defense; real arms control ought to allow for unlimited defense and try to limit offensive forces.

Likewise, the Reagan administration has been bold enough to point the finger at the Soviets, at Geneva and elsewhere for violating the treaty. But if the administration wants Americans to take such charges seriously, it will have to act as if it believed this were true. The Pentagon report at least notes that the treaty does have a withdrawal clause, and that when it was signed, negotiator Gerard Smith said that the U.S. would consider its "supreme interests" jeopardized if further limits were not placed on offensive arms. And the Pentagon further remarks: "We do reserve the right to respond to those violations in appropriate ways, some of which may eventually bear on the treaty constraints as they apply to the United States."

In this oblique and bureaucratic way, the Pentagon report does start to open the right issue: If a treaty is built on wrong principles in the first place, if the Soviets are already violating it, at what point does the U.S. stop twisting its own programs to comply, and simply and honestly say the treaty is void?

Mr. QUAYLE. Mr. President, I do not believe I have any requests for other speakers. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Will the Senator yield just a couple of minutes?

Mr. QUAYLE. I will be glad to yield however much time the Senator needs.

Mr. NUNN. Mr. President, I support the Quayle amendment. I think the Krasnoyarsk radar is a violation. I think it violates the location and orientation of ballistic missile early-warning systems that is clearly set forth in the treaty, so I urge our colleagues to vote for this amendment.

I would also just add that the connection between this and the Levin-Nunn amendment, it seems to me, is not appropriate, the reason being the President of the United States has not asked for the proportionate response nor has he proposed a proportionate response though he has clearly said this is a violation.

I would think the normal course of order would be for the President of the United States to not only ask for the proportionate response but to explain what proportionate response he would anticipate and what proportionate response to this violation he envisions.

I must also add that I think the administration has every obligation to go to the standing consultative commission and to empower our representatives there to try to pursue a solution to this violation, in the sense of having the violation eliminated.

I believe that should be done. I am not sure how much of that has been done but we do have a standing consultative commission and they are charged with this responsibility and I would hope that there would be the kind of authority needed there to deal with that and the kind of direction to insist the Soviets do clear up that violation. We have made it clear we do feel it is a violation. The House has. The Senate has, I hope, after we vote on this; so I agree with the amendment of the Senator.

The PRESIDING OFFICER. Who yields time?

If neither side yields time, the time will be divided equally.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, would the manager for the bill yield me 3 minutes?

Mr. NUNN. Mr. President, this manager did not have time under the rules, so if the Senator from Indiana will yield 3 minutes——

Mr. QUAYLE. I will be glad to yield 3 minutes to the distinguished chairman of the Finance Committee.

Mr. BENTSEN. I will be prepared to offer an amendment in a few minutes. I understand from both sides there is no objection to it. I understand you are checking on that point at this moment.

What we are seeking is communities along the gulf coast that are preparing—that is they are trying to decide what they have to do in the way of sewer lines, all the public facilities that have to be prepared. This would provide up to $300,000 may be expended for that purpose. It would assist those along the gulf coast.

I frankly do not know an objection to it and this is a standard procedure that takes place in this kind of public installation for Federal Government planning.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, I know of no objection to it on this side, but I might just say we are checking, particularly checking with the junior Senator from Texas.

Mr. BENTSEN. The junior Senator will be a cosponsor of it.

Mr. QUAYLE. Well, that clarifies that, if he is a cosponsor of it. I do not see there will be any problem at all. If we can run just a couple of checks and we will set this aside and be able to take it in due course.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, our staff has been over this with the Senator from Texas. He has been very diligent in pursuing this amendment. As I recall, this amendment was accepted by the Senate last year.

Mr. BENTSEN. I believe that is correct. That is correct, a very similar amendment was accepted.

Mr. NUNN. I know the Senator from Texas is concerned about the homeporting and planning for the homeporting. It is a good amendment. And we will be delighted to recommend that our colleagues accept it at the appropriate time when the amendment is pending before the Senate.

The PRESIDING OFFICER. Who yields time? If neither side yields time, the time will be divided equally.

PROGRAM

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed with the program for time and that the time be charged equally against both sides.

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

ORDERS FOR THURSDAY

ADJOURNMENT UNTIL 8:30 A.M.

Mr. BYRD. Mr. President, the order has been entered that the Senate will come in at 8:30 tomorrow. I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until the hour of 8:30 tomorrow morning.

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

MORNING BUSINESS

Mr BYRD. Mr. President, I ask unanimous consent that tomorrow after the two leaders have been recognized under the standing order, that there be a period for the transaction of routine morning business not to extend beyond the hour of 9 o'clock a.m. and that Senators may speak during that period for not to exceed 3 minutes each.

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

UNFINISHED BUSINESS

Mr. BYRD. Mr. President, the unfinished business automatically will come back before the Senate at what time tomorrow?

The PRESIDING OFFICER. The unfinished business will reoccur after the morning business has been concluded.

Mr. BYRD. So we will come in at 8:30, have the orders for the leaders and then we have morning business from that point until the hour of 9 o'clock. The unfinished business would automatically come back before the Senate at 9 o'clock.

Mr. President, I will not ask for a live quorum tomorrow morning at 9 o'clock in view of the fact that there will be a rollcall vote at 9:30 tomorrow morning on the motion to table the Warner amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, this may or may not be the last vote tonight. The managers have indications that other Senators wish to call up amendments tonight. If the managers wish to entertain those amendments, there may or may not be additional rollcall votes this evening.

Mr. WARNER. Mr. President, I had to step out to the cloakroom, but it was my understanding of the parliamentary situation that at the conclusion of the vote on the pending Quayle amendment that the Senate will go back to the amendment of the Senator from Virginia and that is the pending business. We have entered into a unanimous-consent agreement that is quite explicit that that amendment would be voted on at 9:30 tomorrow morning, at which time the Senator from Georgia would make a motion to table. Therefore, I am perplexed at how we can have other votes tonight,

given that unanimous consent agreement.

Mr. BYRD. Mr. President, if the managers are willing to entertain other amendments tonight by Senators who wish to call them up, if they can get unanimous consent to temporarily lay aside the Warner amendment, they could proceed.

Mr. WARNER. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator is correct.

Mr. BENTSEN. If the Senator will yield, I have such an amendment and I understand it has been cleared by both sides. It should not take over a couple of minutes. I would appreciate obtaining unanimous consent to temporarily lay aside the amendment under consideration and consider my amendment.

Mr. WARNER. Mr. President, I do wish to accommodate the Senator from Texas. The Senator from Indiana, of course, was acting on my behalf, and I concur in whatever decision he made. It seems to me fair not only to the Senator from Texas but to other Senators that we should have some idea of the quantum that the majority leader and the chairman want to achieve tonight.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. WARNER. I will propound that to the manager of the bill as a formal question.

Mr. NUNN. Mr. President, I would like to take as many amendments as we possibly can tonight. I think the nature of things is such that they would have to be noncontroversial amendments. I would hope that the Senator from Virginia will agree that the amendments which have been cleared on both sides, and I understand the Senator from South Carolina has such an amendment and the Senator from Texas has such an amendment that could be taken up, those which have been cleared on both sides, that we could take them up and move on. We have over 80 amendments to this bill. Even noncontroversial amendments take 15 to 20 minutes.

If we could have an understanding under these circumstances, since we do not have another amendment at the moment that would demand a rollcall vote that we have been able to get over here, that we have tried, I would suggest that we try to take several noncontroversial amendments, if they are cleared on both sides, take them tonight, and then move on tomorrow morning to the other business of the bill.

Mr. WARNER. Might I suggest to the manager of the bill and others that we have discussed this, of course, with the hope of enabling us to get some sort of consensus. I have not been able to acquaint my colleagues with the other items. We have settled the issue that the Senator from Indiana spoke on, and we can dispose of that one, but on any other further amendments, I would like to have the opportunity to talk with the managers.

Mr. BENTSEN. Mr. President, if I understand the colloquy, I am now in a position to ask unanimous consent that the amendment under consideration be temporarily set aside and ask that an amendment that has been cleared on both sides of the aisle be given immediate consideration.

AMENDMENT NO. 684

(Purpose: To set aside certain sums for community planning assistance for certain Gulf Coast communities in connection with the Naval Strategic Dispersal Program)

Mr. BENTSEN. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Ms. MIKULSKI). Is there objection? Without objection, it is so ordered.

The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Texas [Mr. BENTSEN], for himself, Mr. GRAMM, and Mr. COCHRAN, proposes an amendment numbered 194.

Mr. BENTSEN. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 198, between lines 4 and 5, insert the following:

PART C—MISCELLANEOUS PROVISIONS

SEC. 2831. COMMUNITY PLANNING ASSISTANCE

The Secretary of Defense may expend not more than $300,000 from funds appropriated to the Department of Defense for fiscal year 1988 pursuant to an authorization contained in this division and not more than $300,000 from funds appropriated to the Department of Defense for fiscal year 1989 pursuant to an authorization contained in this division to provide planning assistance to communities located near Gulf Coast homeports proposed under the Naval Strategic Dispersal Program, if the Secretary determines that the financial resources available to the communities (by grant or otherwise) are inadequate.

HOMEPORT COMMUNITY PLANNING ASSISTANCE

Mr. BENTSEN. Madam President, I am pleased that the Armed Services Committee has endorsed continuation of the Navy's strategic dispersal program. Despite past controversy, the Congress has supported the homeport program in the firm conviction that the military advantages greatly outweighed the added costs.

Along the gulf coast, communities are working steadily and eagerly to prepare for the arrival of the Navy ships and personnel in the next few years. In the Corpus Christi area, for example, the South Texas Homeport Steering Council has been established and has hired staff and named task groups to study the impact on housing, roads, schools, and so forth. Federal planning funds have already helped in this process, and more is needed.

In Pascagoula, MS, a coordinator for homeport activities has been named, and the community is hoping to receive funds to help defray the costs for the coordinator and consultants which will be hired to perform the necessary impact studies.

These are just two of the cities which need and have qualified for the community planning assistance regularly approved in the past for major new military installations. I have been advised, however, that the defense authorization bill reported by the Senate Armed Services Committee does not contain formal authorization for funds for community planning assistance for gulf coast home port sites. I am also advised that such legislation is necessary to ensure that Federal support to ongoing local planning efforts can continue on schedule.

To correct this oversight, I am proposing an amendment, using language suggested by the Office of Economic Adjustment of the Department of Defense, to provide $300,000 for each of the next 2 fiscal years for such community planning assistance. Such legislation, similar to that enacted by the Senate last year, would establish clear legal authority for this assistance. The Defense Department anticipates that the Ingleside/Corpus Christi area would receive approximately $200,000 of that amount for each of the next 2 years; that Pascagoula, MS would get about $50,000 each year; and that the remaining $100,000 would be available for other home port sites that might submit justifiable requests.

My amendment would guarantee that local communities will have the benefit of Federal planning assistance so that the roads and schools and housing are anticipated and ready when the ships arrive. I hope that the committee agrees on the need for these funds.

I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 684) was agreed to.

AMENDMENT NO. 683

Mr. QUAYLE. Madam President, I ask unanimous consent that Senator HELMS be added as a cosponsor to my amendment.

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

The Chair wishes to advise the Senator from Indiana that he has 1 minute remaining. The Senator from Virginia has 3 minutes remaining.

Mr. QUAYLE. Madam President, I yield back the remainder of my time.

Mr. WARNER. Madam President, we yield back the remainder of our time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Indiana. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from Tennessee [Mr. GORE], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I also announce that the Senator from New Jersey [Mr. LAUTENBERG] is absent because of death in the family.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN], the Senator from New York [Mr. D'AMATO], the Senator from Kansas [Mr. DOLE], the Senator from South Dakota [Mr. PRESSLER], and the Senator from New Hampshire [Mr. RUDMAN] are necessarily absent.

I also announce that the Senator from Vermont [Mr. STAFFORD] is absent on official business.

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

The result was announced—yeas 89, nays 0, as follows:

[Rollcall Vote No. 247 Leg.]

YEAS—89

Adams	Glenn	Mitchell
Armstrong	Graham	Moynihan
Baucus	Gramm	Murkowski
Bentsen	Grassley	Nickles
Biden	Harkin	Nunn
Bingaman	Hatch	Packwood
Bond	Hatfield	Pell
Boschwitz	Hecht	Proxmire
Bradley	Heflin	Pryor
Breaux	Heinz	Quayle
Bumpers	Helms	Reid
Burdick	Hollings	Riegle
Byrd	Humphrey	Rockefeller
Chafee	Inouye	Roth
Chiles	Johnston	Sanford
Cochran	Karnes	Sarbanes
Conrad	Kassebaum	Sasser
Cranston	Kasten	Shelby
Danforth	Kennedy	Simpson
Daschle	Kerry	Specter
DeConcini	Leahy	Stennis
Dixon	Levin	Stevens
Dodd	Lugar	Symms
Domenici	Matsunaga	Thurmond
Durenberger	McCain	Trible
Evans	McClure	Wallop
Exon	McConnell	Warner
Ford	Melcher	Weicker
Fowler	Metzenbaum	Wilson
Garn	Mikulski	

NOT VOTING—11

Boren	Gore	Simon
Cohen	Lautenberg	Stafford
D'Amato	Pressler	Wirth
Dole	Rudman	

So the amendment (No. 683) was agreed to.

Mr. NUNN. Madam President, I had hoped to get up other amendments this evening. I still hope we can get up some amendments which will be of a noncontroversial nature. There will not be any more rollcall votes.

We are open for further debate on the ABM amendment, and I have notified Senators that if there is further debate, we will continue that debate. We want a thorough debate. We do not want anyone to feel they are cut off.

We had debate all day yesterday. Perhaps 3 or 4 hours of it were on the ABM amendment. We also had 6 or 7 hours of debate today on that amendment, and we are prepared to have more.

So I do not want anyone to feel that there has been a premature motion to table, although we have a unanimous consent agreement tonight that will be in effect tomorrow morning. We will vote at 9:30 in the morning.

I do serve notice that if there are any other Senators who would like to debate that this evening, as floor manager, I will accommodate them.

Mr. WARNER. Madam President, I join the distinguished chairman in observing that we had a very good debate on the pending issue, on the ABM amendment, as he has characterized it, against which I have lodged a motion to strike.

We do urge our colleagues to come over. The leadership has provided this opportunity for any additional debate, in view of the fact that we have now established a fixed time tomorrow morning for the vote.

Mr. BYRD. Madam President, may I add this postscript: Tomorrow morning, at 9 o'clock, the Senate will turn to the consideration of the pending question, which is the amendment by Mr. WARNER, and there is a 30-minute period between 9 and 9:30 before the tabling motion occurs.

There will be 30 minutes at that juncture if Senators wish to have further comment on the Warner amendment. Otherwise, if they do not, we can go ahead at 9. We have the time set for the motion to table. That will be at 9:30. We could come in at 9 and have the two leaders fulfill their standing orders and then have the morning business at 9:30. But we could leave it as it is, which leaves a window of 30 minutes if Senators wish to comment on the pending question.

Mr. DOMENICI. Madam President, I ask unanimous consent that I be permitted to proceed for 2 minutes as in morning business.

MORNING BUSINESS

Mr. BYRD. Madam President, I ask unanimous consent that there be a period for morning business and that Senators be permitted to speak therein, and that the period not extend beyond 20 minutes.

Mr. WARNER. Madam President, it is not my intention to object, but I am wondering, so that we could advise other Senators, whether we could agree now to go into morning business and not proceed further on the pending matter. In that way, many staff members and others can begin to prepare for tomorrow.

Mr. BYRD. That will be fine.

Does the Senator want 5 minutes?

Mr. DOMENICI. That is plenty for this Senator. I do not need any more than 5 minutes.

Mr. BYRD. Madam President, within that time, if there are other Senators who have anything further to say on the pending question, they have been notified and they should be here promptly.

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

The Senator from New Mexico may proceed.

FIRST ANNUAL LIEBER PRIZE FOR OUTSTANDING ACHIEVEMENT IN MENTAL HEALTH RESEARCH

Mr. DOMENICI. Madam President, today is a special day in the history of mental health research. Today Dr. Benjamin Stephenson Bunney, professor of Psychiatry and Pharmacology and vice chairman of the Department of Psychiatry at Yale University School of Medicine, became the first recipient of the annual Lieber Prize of $50,000. The Lieber Prize was endowed by Stephen and Constance Lieber of New York State and is awarded for outstanding achievement in research on mental illness. This prize is particularly significant because it marks a new initiative to raise private funds for expanding our Nation's research into serious mental illness.

The exciting new technologies and discoveries for mental health research, largely funded by the Federal Government, have sparked a private sector interest in helping to find more answers to the problems of understanding and treating major mental illness not only in our country but for anyone anywhere.

The organization formed last year to raise private resources to advance the study of mental illness is NARSAD, the National Alliance for Research on Schizophrenia and Depression. Four energetic citizens' groups helped to form NARSAD. They are the National Alliance for the Mentally Ill, National Mental Health Association, National Depressive and Manic Depressive Association, and the Schizophrenia Research Foundation.

NARSAD is the sponsor of the first annual Lieber Prize. In addition, NARSAD is giving 10 research grants of $25,000 each to research scientists. These are scientists who have a record of accomplishment and a promise of future achievement. Our hopes are with them. Our search is for new

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knowledge in the understanding and treatment of schizophrenia and depression.

My wife Nancy and I have each been honored to be named honorary chairmen of this private sector fund raising initiative, The Mental Illness Research Campaign, to raise $10 million over the next 3 years. The other honorary chairman is Barry Bingham, Sr., former publisher of the Louisville Courier Journal.

NARSAD sponsors include Katherine Graham, Rosalynn Carter, Carl Sagan, Senator DANIEL PATRICK MOYNIHAN, Arnold Palmer, Peter Ueberroth, Sally Struthers, Julian Bond, Ted Turner, Joanne Woodward, the Rev. Theodore Hesburgh, and Rabbi Alexander Schindler.

In a fairly short time, we have raised $1,000,000.

The honorary chairmen of the NARSAD Scientific Council are equally eminent: Nobel Laureate Dr. Julius Axelrod and Dr. Eli Robins. Dr. Herbert Pardes of Columbia University is president of the distinguished NARSAD Scientific Council. The Scientific Council selects the Lieber Prize winner and the grant award winners.

Research in mental illness has been starved. As a nation, we spend about $7 in research for each American with schizophrenia or depression. The comparable amount for each cancer patient is $203, and $88 is spent in research for each heart patient. Currently, less than 15 percent of mental illness research is privately funded. By comparison, 42 percent of cancer research funds come from the private sector.

The NARSAD Mental Illness Research Campaign is designed to channel increased private funding into investigations of the origins, causes, and possible cures of mental illness.

Schizophrenia and depression afflict more than 14.5 million Americans, at best disabling them for a period, at worst shattering their lives and those of their families. About 40 percent of the homeless on our city streets have serious mental illnesses. In our Nation's hospitals, mentally ill patients occupy more beds than those with any other illness, more than the victims of heart disease, cancer, and respiratory illness combined.

The estimated cost to the United States of America for providing medical and social services to these unfortunate victims exceeds $20 billion annually.

The prestigious Lieber Prize's first winner, Dr. Benjamin S. Bunney, of Yale University, has dedicated his life to understanding the origins and, possibly, the cure for schizophrenia. Dr. Bunney's research career has focused on the brain's dopamine system, which has been implicated as a part of the major neuronal dysfunction in schizophrenia.

Dr. Bunney, 48, has conducted all of his research at Yale University. He has been on the faculty of the Yale School of Medicine since 1971. His work has included pioneering research on the effects of antipsychotic drugs in the brain and the effect of these drugs on the transmissions in the dopamine system.

To quote Dr. Bunney: "This is a particularly exciting time to be working in the area of brain function. There has been an explosive growth in both the fields of neuroscience and population and molecular genetics. Because of this, the tools are now becoming available which allow us to answer questions that we did not have the means to answer before."

After honoring Dr. Bunney for his excellent work, we at NARSAD awarded 10 grants of $25,000 each for the continuation of fine research into schizophrenia and depression. The 10 grants were awarded to:

First. Davangere Devanand, M.D., Columbia University.

Second. David Miklowitz, Ph.D., University of California at Los Angeles.

Third. J. Frank Nash, Ph.D., Case Western Reserve University.

Fourth. Sergio Starkstein, M.D., Johns Hopkins University.

Fifth. George Volger, Ph.D., Washington University.

Sixth. Royce Waltrip II, M.D., University of Maryland.

Seventh. Steven Faux, Ph.D., Harvard University.

Eighth. Ezra Susser, M.D., M.P.H., New York State Psychiatric Institute, Columbia.

Ninth. Scott Cain, M.D., Duke University.

Tenth. Sari Gilman, M.D., University of Pittsburgh.

Mrs. Gwill Newman, president of the NARSAD Board of Trustees, expressed our pride in the early successes of this fine organization when she said, "We are very proud of the young researchers from outstanding universities who have won these first NARSAD awards. We are certain their accomplishments and their investigative focus, will encourage other scientists to move seriously into the field of mental illness research."

Because NARSAD is so new and because we will be hearing more from this spirited organization in the coming years, I would like to inform my colleagues about NARSAD's goals:

First. Raising funds for creative research into the causes, prevention, and cure of severe mental illnesses;

Second. Discovering, encouraging and supporting young investigators so that research into mental disorders becomes competitive with other fields;

Third. Supporting university-based research centers where vital interaction of a variety of disciplines can be brought to bear on the profoundly complex problems of brain disease; and

Fourth. Making the most advanced technology available to mental illness researchers so that they can gain a clear image of the brain's activity in their efforts to diagnose and treat the body's most complex organ.

Mr. President, I applaud NARSAD and its committed and talented leadership. I applaud Dr. Benjamin S. Bunney for his commitment to a most worthy cause. His work will be an inspiration to young researchers who are considering committing their lives and talents to this worthy cause. They are needed, Mr. President, and they can make a difference in the daily lives of many suffering human beings.

I also applaud our 10 outstanding research grant recipients and wish them all the best. We can all be proud of their efforts to push back the frontiers of knowledge in a very complicated but exciting field.

Finally, Mr. President, I would like to thank the Members of the Senate and the House of Representatives for seeing the value of research into serious mental illness and for committing important but scarce resources to this purpose. This commitment has come at a time when additions to domestic spending are more difficult to make.

It is indeed heartening to see this fine private effort come into being. NARSAD will help carry the financial burden for research. We, as a Nation, are looking for answers to one of the most puzzling problems to ever face humanity—serious mental illness. With continued congressional support and fast growing interest outside of Government, Americans can expect accelerated gains in this noble effort.

Until we understand more about our own brain and nervous systems, we will remain unable to bring sufficient help to many who suffer from schizophrenia and serious depression. We are now able to relieve the symptoms and stabilize many patients, but each patient who remains beyond our assistance is another spur to dig deeper into the causes and cures.

The potential is tremendous. The challenge has been made. Our technologies can be refined and our knowledge sharpened. We are at the crossroads of new discoveries. The next 10 years can bring the most important breakthroughs yet. We will know more about the forces that direct our mental energies than we have ever known in the history of mankind.

Mr. President, today's Lieber Prize marks the beginning of a new partnership. The public and private research communities can enrich each other. We can be more optimistic about the next decade of truly exciting research and treatment possibilities for the serious mentally ill.

Madam President, even though I have not used my 5 minutes, I yield back the remainder of any time I might have and yield the floor at this time.

DANGEROUS ADDITION: AMERICA'S CRAVING FOR FOREIGN CAPITAL

Mr. EXON. Mr. President, I call the Senate's attention to a most interesting article that appeared in American Politics magazine, the August 1987 issue. It is written by Mr. Jonathan Paul Yates. The title of the article is "Dangerous Addiction: America's Craving For Foreign Capital."

Mr. President, I will quote briefly from the article and then at the proper time ask that the entire article, a short article, be included in the RECORD. I think this is probably the best summation of the very dangerous road that America is traveling down these days with regard to our reliance on foreign capital to carry our budget deficits in these United States.

Mr. Jonathan Yates, who is a staff member of the House of Representatives, opens his article in this fashion:

In its attempt to convince Japanese investors to place $1 billion in its debt and equity offerings, Bank-America has followed the lead of the U.S. government in relying on foreign capital to meet its operating costs. Because of this reliance on foreign investors—particularly from Japan—to buy treasury bonds and underwrite the Federal budget deficit, the Reagan Administration has come to realize that decision makers for U.S. economic policy can no longer confine their travels to the financial houses of New York and the government institutions of Washington, but must increasingly interact with the Bank of Tokyo in Japan and the Bundesbank in Bonn, West Germany.

To further quote from the article:

Once in office, the Reagan Administration set out to achieve three major goals through its economic programs: slash taxes, reduce the size of the Federal government and increase defense spending. The Administration hoped that government spending cuts, coupled with economic growth stimulated by the tax cut, would compensate for lost revenue and the $2 trillion cost of the defense buildup. When this scheme failed, the Reagan Administration—on a scale never witnessed before—turned to deficit financing to underwrite its economic programs.

Mr. President, I would like to read the closing two paragraphs of this excellent article, as follows:

Steps must be taken to reduce America's dependence on capital from abroad. Relying on foreign capital to meet American economic needs is as dangerous as relying on foreign oil to meet American energy needs. The Federal budget deficit must be decreased to reduce the need for foreign capital. Moreover, measures must be taken to encourage Americans to save more in order to increase the supply of domestic capital.

If our dependence on foreign capital persists, the United States, in the words of one Treasury Department official, will find itself in Brazil's condition, "beholden to overseas creditors . . . always worrying about rolling over its foreign debt and its creditors' reactions when it makes policy."

Mr. President, I ask unanimous consent that the entire article from which I have just quoted and referred to in my remarks from American Politics of August 1987, written by Mr. Jonathan Paul Yates, be printed in the RECORD at this point.

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

DANGEROUS ADDICTION—AMERICA'S CRAVING FOR FOREIGN CAPITAL

(By Jonathan Paul Yates)

In its attempt to convince Japanese investors to place $1 billion in its debt and equity offerings, Bank-America has followed the lead of the U.S. government in relying on foreign capital to meet its operating costs. Because of this reliance on foreign investors—particularly from Japan—to buy treasury bonds and underwrite the Federal budget deficit, the Reagan Administration has come to realize that decision makers for U.S. economic policy can no longer confine their travels to the financial houses of New York and the government institutions of Washington, but must increasingly interact with the Bank of Tokyo in Japan and the Bundesbank in Bonn, West Germany.

Once in office, the Reagan Administration set out to achieve three major goals through its economic programs: slash taxes, reduce the size of the Federal government and increase defense spending. The Administration hoped that government spending cuts, coupled with economic growth stimulated by the tax cut, would compensate for lost revenue and the $2 trillion cost of the defense buildup. When this scheme failed, the Reagan Administration—on a scale never witnessed before—turned to deficit financing to underwrite its economic programs.

Relying on domestic capital formations to finance record budget deficits would have pre-empted private needs, escalating interest rates and enervating both recovery from the deep recession of 1982 and Republican election hopes for 1984. In 1985, for example, total private savings in the U.S. were $114 billion short of the $809 billion needed for business investment and government borrowing. The Administration has been so successful in attracting foreign capital to compensate for the shortfall that foreign purchases of treasury bonds have increased 2,000 percent over the last decade, to over $75 billion annually. Financing the U.S. Federal budget deficit has become a joint economic venture of Japan, Inc. and the Reagan Administration.

At first, high real-interest rates attracted foreign funds into secure, profitable U.S. Federal and corporate debt. Real yields on bonds—the rate earned minus inflation—increased 10 points from 1978 to 1982. As a result, foreign purchases of U.S. Federal debt soared from $3.6 billion in 1979 to $28 billion in 1983 to over $75 billion in 1986.

As inflation subsided in the United States and interest rates were lowered, the yield on treasury bonds fell. Since 1985, when the finance ministers from the five industrialized nations agreed to lower the dollar in value, the superior yield of U.S. Federal debt to Japanese bonds has declined by 60 percent. Because of the dollar's decrease in value and the resulting strength of the yen, a $1,000 U.S. treasury bond that cost 265,000 yen in 1985 is worth less than 150,000 yen today (and its yield is 40 percent greater than it would have been had the dollar held its value). "Talking down" the dollar has made U.S. stocks and bonds 60 percent cheaper for foreign investors and has compensated for the lower yield. As a result of this discount, foreign investors provided two-thirds of the net investment capital in the United States last year and will buy more U.S. stocks and bonds this year than American investors.

This growing role in providing investment capital for the United States and purchasing massive quantities of treasury bonds has given foreign institutions, especially those in Japan, increasing influence in U.S. economic matters. Their expanding influence was evident in a series of events that occurred after the United States affixed $300 million in tariffs to Japanese imports in April, which was followed by the passage of a major trade bill in the House.

It took only treasury bond auctions and a visit by Prime Minister Nakasone of Japan before Reagan began to talk of lifting the tariffs and vetoing the trade bill. And, as an inducement to Japanese investors to buy U.S. treasury bonds, Reagan raised interest rates in the United States while Tokyo cut its prime to make U.S. bonds more attractive to Japanese investors. Later, U.S. officials said that future rate changes could be tied to policy actions—including an end to the $300 million worth of sanctions on Japanese goods.

At the treasury bond auction in February, prior to the American tariffs on Japanese goods and the passage of the trade bill, Japanese investors purchased about 40 percent of the offering at an average yield of 7.49 percent. In April, after the sanctions were announced, Japanese investors bought only 20 percent of the bonds being auctioned, forcing the yield to 8.9 percent at the next treasury auction. They also dumped stocks the next day the market was open, driving the Dow Jones average down by 57 points. The cost to Wall Street investors and American taxpayers in higher interest rates on treasury bonds and losses on their stock and bond holdings was in the billions of dollars.

At the treasury bond auction that followed Nakasone's May 1 visit to this country, the Administration's talk of lifting sanctions and the rise in U.S. interest rates in conjunction with Tokyo's interest rate cut, Japanese investors—with strong government encouragement—bought over half of the bonds offered, bringing the yield back down to 8.76 percent. The next day, the White House indicated that a trade bill similar to legislation approved by the House and Senate Finance Committees would be vetoed.

Japan's ability to manipulate the U.S. stock and bond market has been demonstrated before. Last year, four Japanese institutions applied to the Federal Reserve to become primary dealers in U.S. treasury bonds, which would give them the ability to market the bonds directly rather than through an American brokerage house. At the May 1986 treasury bond auction, while their applications were pending. Japanese investors demonstrated their ability to manipulate the U.S. bond market by engineering distortions that resulted in huge losses for several American firms. Shortly thereafter, the Federal Reserve approved the Japanese applications.

Both Washington and Tokyo have countenanced this trans-Pacific flow of funds into U.S. treasury bonds. In 1984, after heavy

lobbying from the Administration, Congress ended tax withholding on interest payments to foreign investors. In 1985, the dollar was "talked down" to allow foreign investors to purchase U.S. stocks and bonds at a discount. Eight months later, the Finance Minister of Japan relaxed restrictions on the amount of foreign securities that Japanese investors could hold as a percentage of their portfolios. And, of course, Japanese institutions were given approval to deal directly in U.S. treasury bonds.

Steps must be taken to reduce America's dependence on capital from abroad. Relying on foreign capital to meet American economic needs is as dangerous as relying on foreign oil to meet American energy needs. The Federal budget deficit must be decreased to reduce the need for foreign capital. Moreover, measures must be taken to encourage Americans to save more in order to increase the supply of domestic capital.

If our dependence on foreign capital persists, the United States, in the words of one Treasury Department official, will find itself in Brazil's condition, "beholden to overseas creditors . . . always worrying about rolling over its foreign debt and its creditors' reactions when it makes policy."

COMMEMORATING NATIONAL HISPANIC HERITAGE WEEK: HISPANIC AGENDA FOR 1990 AND BEYOND

Mr. WIRTH. Mr. President, this is "National Hispanic Heritage Week"; September 13-19. Yesterday also marks the anniversary of Mexico's independence from Spain—September 16—a special day for millions of Hispanic Americans to pause and celebrate their unique culture and history as a people.

Recent statistics indicate that Hispanic Americans are rapidly becoming one of the Nation's most dynamic and fastest growing minority groups. America's Hispanic community is not only emerging as a potent economic force, it is also growing in political strength and as a source for constructive change and prosperity in the country.

To underscore the vitality of America's Hispanic community and to give special meaning to National Hispanic Heritage Week, I am pleased to bring your attention to the work of people in my State who have unveiled a 21-page report entitled, "Hispanic Agenda: 1990 and Beyond." This report is the culmination of work that began more than a year ago when Hispanic community leaders in Colorado decided to engage the community in a broad-based effort to identify issues of concern and solutions to specific problems. In essence, the report is a blueprint for progress in the Hispanic community.

Although the agenda is largely the work of the Latin American Research and Service Agency [LARASA], it draws heavily from the active participation of more than 200 people throughout the community who gathered together on October 18, 1986, at St. Catejan's Center at the Auraria Higher Education Center in Denver, CO, to discuss the economic, social, educational, and political future of Colorado Hispanics. Under the leadership of State Senator Tony Hernandez, Fred M. Acosta, Juana M. Bordas, and Audrey R. Alvarado, the agenda was published and released this week.

I commend it to my colleagues and all interested persons as a thoughtful and articulate summary of concerns and goals that Coloradans—both Hispanic and non-Hispanic—wish to share with the Nation as a whole, and, therefore, ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD.

(Note: The charts in the following report are not reproducible in the RECORD.)

HISPANIC AGENDA: 1990 AND BEYOND

(Colorado 1987)

EXECUTIVE SUMMARY

The ultimate goal of the Hispanic Agenda is to enhance the quality of life for Colorado Hispanics and all other Coloradans. To achieve this improved quality of life, the Hispanic community and its leaders must take responsibility to insure that there is a coordinated, integrated and systematic approach to positive change.

The Hispanic population continues to face socioeconomic difficulties. We must now begin to address these issues. As society continues to change at an ever increasing pace, we must employ creative approaches and seek long term solutions to the problems Hispanics encounter in our society. The Hispanic Agenda is a statement of goals and objectives, endorsed and supported by the Hispanic community. When the Agenda is fully implemented, it will allow the Hispanics of Colorado to participate more fully in the economic, social, educational and political mainstream of the state.

The Hispanic Agenda Steering Committee began work in January, 1986, to develop the structure and process for the Agenda. Futuristic and optimistic in its orientation, the Hispanic Agenda addressed eight major components:

Education: kindergarten-12th grade,
Higher education,
Labor and employment,
Economic development,
Housing and neighborhood,
Health and human services,
Political participation and leadership, and
Media,

These components were identified by building a consensus among representatives of the Hispanic community, its leadership and experts who work in each of these areas. Subcommittees were formed to identify specific problem areas and collect information with regard to each of these topic areas. The next step in the process was the development of draft position papers containing short and long term goals and objectives.

On October 18, 1986, the Hispanic Agenda Conference took place at St. Cajetan's Center at the Auraria Higher Education Center, Denver, Colorado. Over 200 participants reviewed the draft position papers and revised the goals addressing the future direction of the Hispanic community and the state of Colorado. The goals were developed with the intention of achieving them within the next five years.

The Hispanic Agenda Steering Committee combined the information contained in the draft position papers with the input from the Conference to arrive at this finalized Hispanic Agenda. The Hispanic Agenda is not meant to be all inclusive. As other issues become priorities, they will be included in the Agenda. This is just the beginning.

This publication renders the blueprint to a vision of the future. It belongs to everyone, Hispanic and non-Hispanic. It is the property of the community. All of Colorado's citizens have the responsibility to see that it is implemented to the fullest measure.

We anticipate that Hispanics throughout the state will make a personal and professional commitment to the Agenda's goals and objectives. It is the hope of all who developed the Hispanic Agenda that this organized effort will be an on-going process which will broaden opportunities and improve the quality of life for Hispanics in Colorado.

HISTORICAL OVERVIEW

The concept of pluralism so beautifully inscribed on the dollar bill E Pluribus Unum—"out of many comes one"—has been the dream and promise of America since the Declaration of Independence, 200 years ago. The state of Colorado, with its rich multicultural heritage has the opportunity and challenge to fulfill this dream. The very name Colorado was given by the Conquistadors, who in search of additional northern territory for the Spanish crown came across Texas, Arizona and New Mexico to a land they named for its vibrant natural beauty and the red clay that colored its majestic mountains—Colorado. Although many people who emigrate here are sometimes surprised by the state's pronounced Hispanic flavor, an understanding of history makes clear the important role, contributions and historical impact Hispanics have had on the settlement and growth of Colorado.

The Spanish heritage of the Southwest is a prominent one, rooted in more than 400 years of history and culture, and dating back almost 200 years before the signing of the Declaration of Independence and 300 years before Colorado became a state. It was in 1598 that Juan de Onate led the official expedition that spread the Spanish Empire's cultural and political presence into what is now the Southwestern United States.

The Spanish colonists synthesized their culture with the Native American people who had lived on the land for centuries. The marriage of the Spanish and Indian cultures resulted in a new, dynamic and creative ethnic blend which produced unique institutions, art, literature and values. The Spanish introduced ranching and stock raising, public schools, silver-working, architectural style, citrus fruits, Christianity, water laws and community property concepts. The Indian culture brought its knowledge of the land, cultivation for preparation and preservation, crafts and art design, folk medicine, hunting and tribe or community consciousness. The descendants of this culture marriage are the Hispanics of Colorado and the Southwest today.

In 1821, Mexico gained its independence from Spain, and Anglo-Americans were allowed legal entrance into Colorado and the Southwest. A healthy trade developed between the United States and Mexico. A major trade route included the Mountain

Branch of the Santa Fe Trail that utilized Bent's Fort through Raton Pass into Santa Fe.

While trapping and trading had brought Spanish and Mexican incursions into Colorado before 1821, land grants and the sprouting of trading posts along the Arkansas River encouraged the development of permanent settlements. Mexicans and Anglos were pulled together into compatible relations as the Anglos came in to "Settle the West." Mexicans acted as guides, translators, merchants, packers and soldiers and taught the "new immigrants" how to survive in this beautiful land.

In 1846, the United States went to war against Mexico and resulting with the Treaty of Guadalupe Hidalgo, annexed almost half of the Mexican Hidalgo. The following states or portions thereof became part of the United States; New Mexico, California, Oklahoma, Kansas, Nevada, Utah, Arizona, Texas, Colorado, and Wyoming. The Mexican residents of the ceded territories were granted United States citizenship and became "charter members" of the state. As a standing tribute to their previous history, the communities of the Southwest often retain the Spanish "plaza" plan, architecture, and construction of adobe. Southwestern arts, crafts and food have remained an integral part of this area's cultural distinction.

The Civil and Indian wars, combined with the Gold Rush, attracted soldiers, prospectors, settlers, and land speculators from California and eastern United States. As these new people arrived, they too were taught how to survive and earn their livelihood by the Hispanic people. Skills taught included; mining by use of the batea and the arrastra methods; ranching and animal herding; farming and cultivation; trading and trapping. The integration of the state of Colorado, with the diversity of people it has today, had begun.

In the territorial period and into statehood in 1876, Colorado Hispanics entered political arenas and played substantive roles. Casimiro Barela, for example, known as the "Perpetual Senator," not only led the southern Colorado delegation in protecting the rights of the "charter members," but assisted in writing the Constitution of the state. So great was his influence that his likeness is preserved in the State Capitol dome today.

Industrialization and development in Colorado during the latter half of the nineteenth century attracted additional "charter members," as well as Mexican immigrants who came to work on the railroads, in the mining industry, in agriculture, (e.g., Great Western Sugar) and, ranching (e.g., sheep and cattle). Many migrant workers whose origins in Texas placed them on a migrant trail to eastern Colorado decided to remain and relocated in numerous communities along the front range. Hispanics, through their hard work and contributions to the labor force, built the state of Colorado and forged the foundation of today's economic base.

Intensive immigration from Mexico during the first decades of the twentieth century was caused in part by the active recruitment of a cheap labor force and by the political turmoil of the Mexican Revolution (1910-1934). New organizations emerged during this era that expressed concerns for cultural preservation and political status. Mutualistas (mutual-aid societies) provided services throughout Colorado and formed alliances throughout the nation with like-minded groups. This included "charter members" who were here before Colorado became part of the United States, recent immigrants from Mexico, and also many supportive people like former Colorado Governor Bill Adams.

World War II marked renewed economic development as industries moved inland in response to the threat of invasion. Colorado Hispanics became an urban population as emigrants moved near their war-related industries. In response to a need for an enlarged labor force, legislation encouraging Braceros, Mexican national workers in the United States, answered this demand for labor. Serving with great distinction in the military during World War II, Colorado Hispanics continued their contributions in defense of their nation. A patriotic people, Hispanics today have more Medal of Honor recipients per capita than any other group.

The nation's long and challenging history of border problems and illegal aliens has had a powerful impact on Colorado. Starting with the "charter members" who were here before Colorado became a state and again during World War II, there has been an open and then closed door policy toward aliens. This "revolving door" let people in when cheap labor was needed and then closed again when economic times necessitated a tight labor market. Nevertheless, this emigration pattern has had some beneficial effects on Colorado Hispanic culture, which has been constantly revitalized by the contributions of recent immigrants, particularly in language, customs and values. It has also produced backlash and prejudice against undocumented workers and accusations that Hispanics do not assimilate into the dominant culture.

Yet today, in the aftermath of the Civil Rights movement, which promoted the rights of Blacks, Hispanics and other people of color, Hispanics have made great strides in advancing socially and economically. Hispanics today are better educated, and can be found in all levels of business, government and society. Hispanics are beginning to exert the same strong influence on this state that they did in the early days of Colorado's history. One reason for this is that Colorado Hispanics actively participate in politics. Hispanics are also a growing population. As their numbers increase, they will have a greater impact on Colorado and the nation as a whole.

Colorado Hispanics bring a unique cultural blend integrating the individualism and hard work of the Western settlers with the rich heritage of Native American people. Colorado Hispanics have contributed much to the development and growth of Colorado, standing as an example of a people who love their country and their culture and who have assimilated without losing their cultural identity. The success of Hispanics in Colorado will contribute to the success of the entire state.

DEMOGRAPHICS

While the nation's total population increased by 11.5 percent between 1970 and 1980, the total Hispanic population increased by 61 percent, totaling 14.6 million (a 6 percent annual growth rate). The Mexican origin Hispanic subgroup increased by 93 percent, followed by Cubans at 48 percent, Puerto Ricans at 41 percent, and "Other Spanish" origin peoples at 21 percent. Current census reports estimate a 16 percent growth rate from 1980 to 1985 for Hispanics nationally (16.9 million), in contrast to 3 percent for the total U.S. population.

In 1980, Colorado ranked ninth nationally in its concentration of Hispanics. Hispanics constituted 11.8 percent of Colorado's total populations (see Chart 1). As the following map of Colorado counties illustrates, two of 63 counties in Colorado has a Hispanic majority (Costilla—77 percent, and Conejos—61 percent). The bulk of Hispanics in Colorado self-identified as Mexican/Mexican-American/Chicano (61 percent). The second largest hispanic subgroup identified as "other Spanish" (37 percent). Puerto Ricans and Cubans constituted less than 2 percent. State projections estimate the Hispanic growth rate at nearly 16 percent between 1985 to 1990, contrasted to 10 percent for Colorado's state population.

In 1980, slightly more than half of Colorado's Hispanics lived in the Denver metro area, with 53 percent of those having lived in the city and county of Denver. That is, over one-fourth of Hispanics in the state resided in a single urban area. In line with national statistics, Colorado Hispanics are an urbanized population, with 85 percent residing in major urban areas.

The educational status of Hispanics in Colorado closely parallels other states with a high concentration of Hispanics. In 1980, 51 percent of Hispanics 25 years or over did not complete high school, and less than 10 percent completed college. Estimates on Hispanic high school dropouts range from as low as 11 percent to as high as 50 percent.

The median family income of Colorado Hispanics in 1979 was $15,412 compared to $21,940 for non-Hispanics. When the number of persons per household is taken into account, the disparity in income is amplified. The per capita income for Hispanic persons per household was $4,714 in contrast to $8,585 for non-Hispanics. In other words, the average income per person in a non-Hispanic household was nearly two times that of Hispanics.

One of the most striking characteristics of the Hispanic population, both nationally and locally, is its youthfulness. The age pyramid in Chart 2 graphically shows the difference in age distribution between Hispanics and non-Hispanics. The contrast in age is particularly evident in the "less than 20 years of age" categories. In 1980, 40 percent of Hispanics were under 18 years of age in contrast to 26 percent of non-Hispanics. Overall, Hispanics are considerably younger than non-Hispanics. In 1980, the median age of Hispanics in Colorado was 22.5 years in contrast to 29.4 years for non-Hispanics. Furthermore, fertility is higher for Hispanic women (2,428 children per 1000 women 15 years and older) than for total Colorado women (1,752/1000). The fertility rate for Hispanic women is projected to remain unchanged through the mid 21st century.

SUMMARY

Given the Hispanic population's youthfulness, high fertility rate and continued growth, Hispanics will become an increasingly more vital segment of Colorado's population. Efforts to integrate Hispanics into the economic and political mainstream would benefit not only the Hispanic community, but the state of Colorado as well.

HISPANIC AGENDA: 1990 AND BEYOND (MAJOR COMPONENTS)

KINDERGARTEN THROUGH 12TH GRADE EDUCATION

Hispanics are a young, vibrant and energetic population. Forty-five percent are under the age of nineteen. Hispanic youth

are and will continue to be a valuable resource for employers. This youthful Hispanic population will be working longer and contributing more dollars into the federal social security system than any other ethnic population. Therefore, it is in the best interests of both the Hispanic and majority populations to improve achievement levels of our Hispanic youth on the elementary and secondary levels. The result will be an improved quality of life for all citizens of our state.

Issues

The following areas are key concerns for the Hispanic community: Academic performance of Hispanic youth; Attendance rate of Hispanics; Drop out rate; Institutional racism in the education system; Current school finance method.

Based on statewide assessment of student achievements, Hispanics are performing at a lower level than Anglo students. Specifically, utilizing the Iowa Tests of Basic Skills/Tests of Achievement and Proficiency, Form G, Hispanic performance ranged from 14 to 21 percentile points below all students. The areas tested included vocabulary, reading and language skills, work-study skills, mathematics skills, social studies and science. (See Chart 5 from "Status of K-12 Public Education in Colorado, 1986," published by the Department of Education.)

Hispanic youth are challenged to survive in the current educational system. Part of the responsibility for the lower performance of Hispanics rests with the structure and method of teaching in Colorado school systems. Historically Colorado's education system has received a failing grade in promoting academic success of ethnic minorities. Absence of a "climate of excellence" in the classroom contributes to this shocking educational ineffectiveness. Teachers who have low expectations of Hispanic achievement get the results they expect. There has been minimal commitment to preventive, early intervention efforts or encouragement of innovative teaching methods. The emphasis has been on remedial-type programs reaching students at a later stage in their schooling. To bring about improved student performance, early intervention needs to become a priority.

Hispanics are also dropping out of school in dangerously large numbers. Some studies estimate that 50 percent of Hispanics do not complete high school. Chart 3 dramatically shows the educational completion differences between Hispanics and non-Hispanics across urban and rural areas. For Hispanic adults 25 years and older, 40.9 percent in rural and 47.8 percent in urban areas completed high school. In contrast, 80.1 percent of non-Hispanics living in rural and 81.2 percent living in urban areas completed high school.

As reported by the Colorado Department of Education in a 1986 study which only includes data from 10th to 12th grade, the Hispanic drop out rate is 11.3 percent. The 1980 census data also show that Hispanic youths in the 18-24 age group were far less likely to have completed high school than non-Hispanics. For Hispanics living in rural areas the completion rate was 59 percent compared to 60 percent for urban Hispanics. For non-Hispanics the completion rate in rural areas was 77.4 percent compared to 82.7 percent for urban non-Hispanics. (See Chart 4.)

A recent Stanford University study estimated the lifetime cost to society of dropping out to be about $200,000 per drop out—approximately $20,000 for social services, $50,000 in lost tax revenue and $130,000 in lost net income to the individual. The drop out situation is at crisis proportions.

Failure is compounded by the lack of acceptance of the pluralism that characterizes our state and our nation. As a result, institutional racism continues to exist in the education system. Racism is evident in lower expectations by teachers and educational administrators of the Hispanic child. Racism is demonstrated in the lack of Hispanic role models in the class-room, a higher discipline and suspension rate among Hispanic students, and a curriculum that ignores Hispanic historic contributions to the development of Colorado and our country. The call for excellence in our schools must be applied across the board.

The current financing method of public education is a major problem affecting all of our children in Colorado. First, financing for education is decreasing. As reported by the Colorado Legislative Council, the financial support of K-12 education in constant dollars has decreased each year for the last five years. The state contributes 47 percent of the total funds, and the local property tax burden is 53 percent. The current school finance law is not meeting the needs of Hispanic students. It requires revision, not only to ensure educational opportunity, but also to prevent educational opportunity from being solely a function of local property tax.

Responsibility

The primary responsibility for increasing the academic success of Hispanic youth lies with the Hispanic Community. However, parents, students, the state and private sector must all participate wholeheartedly in this undertaking. The quality of life for all citizens of Colorado will be enhanced by the success of Hispanic youth in K-12 education.

Kindergarten through 12th Education Goals

Decrease by 15 percent the number of class days missed.

Increase by 3-5 percent per year the compentency test scores for Hispanic students in each test component.

Increase by 10 percent per year the number of Hispanic students who pass the competency test(s) the first time.

Decrease by 10 percent per year the drop-out rate.

Institute a multi-cultural curriculum in Colorado's K-12 education system.

Rewrite the School Finance Law and base it on educational need.

Increase to a minimum of 50 percent the financing contribution of the state for K-12, thereby reducing the local property tax burden significantly under 50 percent.

Develop and implement standard state accountability measurements for each school district in Colorado.

Increase parental and community participation in the educational system through tutoring, mentoring and role model programs.

Increase by 40 percent early intervention education.

HIGHER EDUCATION

Colorado depends on a highly educated and trained labor force. Higher education and Colorado's future growth are inextricably intertwined. The Hispanic population will serve as a major pool from which to draw faculty, staff and students. Unfortunately, to this date, Hispanic participation in institutions of higher education has been minimal. Efforts must be made to turn the tide in order to lay the groundwork for the future growth of our state and the success of its citizens.

Issues

There are three major issues in higher education affecting Hispanics:

Recruitment, retention and promotion of qualified Hispanics in institutions of higher education.

Recruitment and retention of Hispanic students and financial assistance to help them complete their education;

Lack of involvement and participation of Hispanics in influencing policy through employment and appointments on policy-making boards of government and commissions in higher education.

The numerous higher education issues relating to Hispanic faculty and staff are intertwined. Hispanics are under represented at the levels of faculty and staff personnel. In 1984-85, it was estimated by Western Interstate Commission on Higher Education (WICHE), that less than one percent of executive, administrative and managerial positions were held by Hispanics in Colorado and that fewer than two percent of higher education tenured faculty positions were held by Hispanics. Chart 6 shows that of Hispanics working in institutions of higher education, 58 percent are in non-tenured or other faculty positions.

The lack of support systems for Hispanics working within higher education has hindered the entry and retention of Hispanics into higher education institutions. Fewer networks exist to inform individuals of upcoming vacancies. Attempts to increase the numbers of Hispanics by enforcement of Affirmative Action guidelines has not been successful because of a lack of commitment by institutions of higher education and the State Legislature.

Many Hispanic students rely on financial assistance to obtain an education. Along with a decline in aid, there has been a corresponding decline in recruitment efforts directed at minority students. According to the latest available data, Hispanics received 3.2 percent of the baccalaureate degrees conferred in 1983. Chart 7 shows that in 1980 less than 10 percent of Hispanics, 25 years and older, residing in urban and rural areas, completed four years of college. In contrast 24.7 percent rural non-Hispanics and 31.3 percent urban non-Hispanics completed four years of college. In 1990, it is projected that only 5.6 percent of higher education degrees will be conferred to Hispanics, despite the fact that Hispanics between the ages of 15 to 19 will represent 11 percent of the total school population.

The decline of the traditional white, 18-24 years old student has renewed interest among higher education institutions in recruiting non-traditional students. If colleges and universities are to contribute to the quality of life, they must begin to work more aggressively in the areas of recruitment and retention of Hispanics in all institutions of higher education. Chart 8 shows that one of four Hispanics are enrolled in two year colleges in 1985. Hispanic representation must be expanded to four year and graduate institutions to enable Hispanics to compete in the areas requiring high technology degrees.

Elementary and secondary educators also are responsible for expanding the pool of qualified and interested college-bound students. Kindergarten through twelfth grade educators have not uniformly focused on encouraging and preparing Hispanic students for college.

At the system level Hispanics have not been represented on governing boards and commissions related to higher education. The few that have been appointed have not been as effective as they could be because of limited support systems and a lack of commitment of the governing bodies to the Hispanic community. Affirmative action policies and plans have been developed without a strong commitment to enforcement. This has contributed to the continuation of a laissez-faire attitude toward the educational needs of Colorado's Hispanic community.

Responsibility

There are a number of responsible parties that could positively influence change in the area of higher education. The Hispanic community must continue to play a major role in promoting and encouraging our youth to pursue their education. Hispanic faculty and staff must work together to promote themselves and others in the system. State governmental entities must accept responsibility for implementing affirmative action policies, that are more than plans with good intentions and possess a strong enforcement component. The private sector, with much to gain from a highly educated work force, must begin to invest in higher education and the future Hispanic leaders of Colorado.

Higher Education Goals

Increase by at least 10 percent recruitment/retention efforts of Hispanics in higher education.

Increase from 3.2 percent to at least 10 percent baccalaureate degrees earned by Hispanic students.

Increase by 15 percent the numbers of Hispanic faculty personnel in higher education.

Increase by 10 percent annually financial aid for qualified Hispanic students.

Increase the representation of Hispanics on governing boards and commissions to achieve at least parity.

Develop a state-wide student transition support program.

Establish a communication clearinghouse regarding higher education opportunities for students and faculty.

LABOR AND EMPLOYMENT

Hispanics represents a growing proportion of the U.S. labor force. They are a youthful population in an aging society. Today, about 6.7 percent of our nation's workers are Hispanic. This proportion will increase to about 10 percent by the year 2000.

The employment status of Hispanics and other minorities will be increasingly important in the future. In 1952, there were 17 workers for every retiree on Social Security; by 1992 demographers project that there will be only three—and one of these will be a minority group member. Thus the employment skills of minority workers will be critical not only for the nation's productivity and competitiveness in the world market, but also for the solvency of the Social Security system, according to a 1987 report of the National Council of la Raza.

Unemployment and underemployment have been chronic problems in the Hispanic community. Double-digit unemployment has been a reality during both good and bad economic times; in 1985, Hispanic unemployment in Colorado averaged 12.2 percent, compared to 5.6 percent for whites.

Issues

There are three major issues in labor and employment affecting the Hispanic community:

Hispanic unemployment rate is twice the rate of Anglos;

Significant numbers of Hispanics lack formal education and skills training for changing labor force demands.

Hispanics are over-represented among occupations likely to suffer from high job losses.

The Hispanic unemployment rate during the last ten years has remained about two times that of Anglos. In 1980 Hispanics in rural Colorado were close to three times more likely to be unemployed than non-Hispanics (as shown in Chart 9).

The single most important barrier to success in the labor market for Hispanics is their low level of educational attainment. There is no doubt that the typical job or occupation of the future will require advanced education and/or training. Increasing workers' job readiness skills is a prerequisite to reducing the unemployment rate. In the future illiteracy will no longer mean a low paying, labor intensive, menial type of employment—it will mean no job at all.

Hispanics also suffer from serious inequities in occupational distribution. Both Hispanic men and women are strikingly under represented in white-collar jobs and over represented in low-skill blue-collar jobs with low wages and limited opportunities for advancement, as shown in Chart 10. It is no surprise then that Hispanics in the work force receive the lowest weekly wages of any major group in the labor market, with Hispanic women reporting the lowest wages. Hispanic families experienced a decline in real income in 1985.

Employment training must be two-pronged: first, it must increase literacy to enable the worker to begin to earn a living; secondly, as a condition of employment, the worker will be provided with continuing training. The latter protects workers who are engaged in occupations that will see significant losses because of technology improvements.

According to recent studies, Colorado ranks 13 out of the 50 states with regard to "climate of growth" in terms of jobs and new companies. Yet this growth essentially excludes Hispanics who lack the formal education and training for a hi-tech, service-sector economy. At the same time because of the youthful composition of the Hispanic community, Hispanic workers can and will be a driving force for industries of the future.

Responsibility

Colorado's human resource investments represent a critically important commitment. Expanding opportunities for Hispanics and non-Hispanics can be achieved through a partnership of state and local government and the private sector, utilizing economic development strategies, education and employment training programs. In addition, Hispanic workers must be endowed with the motivation and self-resolve to improve their current plight. The community can assist in this process and set high standards, provide leadership, raise consciousness and provide the necessary accountability. The end result will be greater prosperity for all Coloradans.

Labor and Employment Goals

Increase by 40 percent the literacy of Hispanic workers.

Increase by 30 percent the private and public partnership training program funds.

Increase by 40 percent the number of Hispanic workers in training programs.

Increase by 40 percent the utilization of the Job Training Partnership Act program in the Hispanic community.

Reduce by 5 percent the Hispanic unemployment rate.

Increase by 30 percent labor force participation of low income Hispanic female heads of household.

Expand by 20 percent the educational opportunities available to underemployed and high risk loss occupations.

ECONOMIC DEVELOPMENT

America has one of two choices. We can accept a lower standard of living by cutting the wages of blue and white collar workers, or we can raise our standard of living through effective public/private investment. The goal of such investment would spur the growth of new high-paying, high-tech and information based industries. The Hispanic Agenda chooses the later approach.

The economic success of Hispanics is dependent on America's ability to compete in the world. Conversely, America's ability to compete in the world is also heavily dependent on the effective and successful investment in her Hispanic citizens. Obviously, the education of America's youth, including a soaring population of young Hispanics, plays a crucial role in our nation's ability to compete and prevail in today's and tomorrow's world economy.

The U.S. Census Bureau reports that the number of Hispanic-owned businesses in the United States increased by 53 percent between 1972 and 1977. Receipts from those firms totaled $15 billion in 1982, a substantial increase over a five year period. On average and in almost all cases, Hispanic businesses are small businesses.

Issues

There are four major issues confronting the Hispanic business community;

Limited access to capital and management/technical assistance;

Revitalization of neighborhood Hispanic business;

Internal coordination of Hispanic community;

Systematic and institutional racism.

The fate of small businesses and future employment opportunities are closely linked. Between 1981 and 1985, Colorado added an estimated 80,000 net new jobs. Small, independently owned new business played a key role. Over 59,000 of these net new jobs were in firms with less than 20 employees and over 51,000 in local, independently owned firms. Firms with less than 100 employees now account for over half the jobs in Colorado.

Start-ups have and will continue to dominate the state's growth in employment. As a result, a sound Hispanic economic development strategy should nurture the successful growth of Hispanic-owned small businesses. Such an approach will result in a significantly increased number of high-quality jobs for Hispanics.

Like all small businesses, potential and existing Hispanic enterprises require start-up and consecutive rounds of financing to grow. An individual small business often has almost all the right pieces in place—right product, right market and right time. Frequently, the only pieces missing are available and/or affordable capital, and management and specialized technical assistance.

Revitalized neighborhood retail/service businesses are needed in the community. Many small businesses in Hispanic neighborhoods are owned by non-minorities. His-

panic entrepreneurship must be promoted. Hispanic consumers should be encouraged to patronize Hispanic business; in too many cases, they are required to shop and buy goods and services outside the neighborhood.

While some progress has been made, the Hispanic business community must coordinate its efforts. More collaboration is needed in areas of joint venturing, subcontracting, and purchasing products and services. A lack of coordination causes many Hispanic enterprises to lose significant business with the following types of potential customers: major local corporations, state and municipal governments and federal government.

Systematic, institutional racism remains a barrier to Hispanic progress. Significant economic "mainstreaming" of Hispanics remains to be done. The level of participation in our state's economy is not satisfactory. We need more Hispanic business people serving as role models.

Responsibility

The Hispanic community as a whole must take responsibility, including obtaining the cooperation of local corporations, other Chambers of Commerce, and state and local government. Significant economic success can be achieved if the community effectively coordinates and executes their plans. The Hispanic Chamber of Commerce can provide a focal point for revitalization of the Hispanic business community. The executive and legislative branch of government must involve Hispanics in the state's economic development planning, as well as advocate opportunities for Hispanics in the plan's implementation.

Economic Development Goals

Establish 100 new Hispanic owned businesses.

Increase by 100 percent Hispanic business receipts.

Increase by 300 the number of employment opportunities within each Hispanic neighborhood.

Create through the State Legislature Small Business Development Credit Corporations that will provide financing and management/technical assistance.

Unbundle contracts with local corporations thus providing more opportunities for Hispanic Small Business Owners.

Centralize the minority certification/guideline education and information process.

Increase knowledge of the bidding process among Hispanic Small Business Owners.

Initiate and establish a Hispanic Small Business Owners resource information clearinghouse in cooperation with the Hispanic Chamber of Commerce.

Establish an annual Hispanic Small Business Owners Trade Fair for public and private sector organizations.

Increase by 35 percent funds raised for neighborhood economic development organizations.

Implement a one-stop regulation and certification office.

Establish a statewide minority small business council.

HOUSING AND NEIGHBORHOOD

The breadth and diversity of housing issues facing Colorado . . . the price at which the private market system can provide housing and the ability of low-income households to pay for the housing. Until recently the federal government has taken the lead in addressing the needs of those residents whose housing requirements were not being met by the private sector. Today there is a new opportunity for state and local government working together with the Hispanic community to improve the housing and neighborhoods in Colorado.

Issues

There are four key housing and neighborhood issues that affect Hispanics;

The lack of affordable housing throughout the state of Colorado;

The need for revitalization of Hispanic neighborhoods and existing housing units;

Freedom of choice for Hispanics to live anywhere;

The need to identify and purge regulations and priorities that negatively impact the affordability and the quality of housing.

The main housing issue is affordability. In 1985, 32 percent of Colorado renter households and 10.6 percent of owner households were living in inadequate units or paying too high a proportion of their income for shelter. A significant portion of the Hispanic population is unable to afford adequate housing.

Secondly, revitalization of Hispanic neighborhoods is essential to our quality of life. The owner occupied housing stock in the state is aging. The combination of aging housing with a lower-income owner, particularly in rural Colorado, often results in deterioration of the unit and its eventual * * * taken, affordable housing units deteriorate until they are eventually abandoned or demolished. Too often the results is complete retrogression of the neighborhood.

Assuring that Hispanics have the freedom of choice to live anywhere within the metro area and the state of Colorado is critical. A recent study of affordable housing in the metro area and the state indicated that Hispanic families whose income does not exceed $25,000 per year are required to live in areas where the housing stock is less than adequate for their needs.

The last issue impacting Hispanic housing and neighborhoods addressed the regulations and priorities of a variety of state agencies and commissions that directly affect housing costs. We need to identify and revise regulations within state and local governments as well as private housing regulations that negatively impact affordability and quality of housing.

Responsibility

The responsibility of remedying the housing situation and revitalizing Hispanic neighborhoods lies with the Hispanic community. We must promote and take direct action to improve the quality of shelter and quality of life in Hispanic neighborhoods. Businesses, including—but not limited to—banks, savings and loan associations, insurance companies, private developers, foundations, private and quasi-public corporations, have a major responsibility in playing a positive role in improving the quality of shelter and life in Hispanic neighborhoods. The federal government should also continue to play a significant financial role in housing, especially ensuring that low and moderate income individuals, State and local governments must also concern themselves with housing policies to insure that adequate and affordable housing is an achievable goal.

Housing and Neighborhood Goals

Establish a Housing Trust Fund to provide a source of funds to Hispanics throughout Colorado and to support housing initiatives in Hispanic communities.

Establish a blue ribbon committee to identify resources available for housing to promote neighborhood rehabilitation.

Activate a "fairshare allocation" model in which local governments agree to provide affordable housing in their communities accessible to Hispanics.

Insist that local governments offer incentives to private developers to build a percentage of units for low and moderate income individuals.

Explore the utilization of employee pensions as a source of revenue for housing, rehabilitation and/or development.

Support legislation that positively addresses the issue of Warranty of Habitability (standard living conditions for renters).

Insure that all economic development policies responsibly address housing development and the impact on the quality of life of residential neighborhoods.

Demonstrate the economic benefits of affordable housing initiatives and neighborhood rehabilitation programs to the state legislature, emphasizing the positive role legislators can play in housing development.

HEALTH AND HUMAN SERVICES

The relationship between education, job training and employment, housing and economic development is closely linked to the need for public human services and health programs. Because of socioeconomic factors, Hispanics are disproportionately represented as consumers of public programs in health and human services. Like all other consumer populations, Hispanics have the right to receive quality services provided in a sensitive and professional manner. Hispanics must be afforded equal and open access to programs which will address their needs. Any cultural or language barriers which may impede or prohibit the delivery of services must be addressed and solutions implemented to assure quality care for Hispanics.

Issues

The following are four major concerns for the Hispanic community;

Poverty of Hispanic women and teenage pregnancy;

Lack of preventive health care;

Alcohol and drug abuse;

Accessibility to quality health care.

In 1984, the U.S. Civil Rights Commission reported that women were quickly becoming the largest poverty group in the nation. A large percentage of these impoverished women are Hispanic. In Denver as Chart II shows, approximately half of the families headed by Hispanic women live in poverty, compared with one-third families headed by white women. If day care were more available, female heads of households would be less dependent on Aid to Families with Dependent Children (AFDC). Although having a job does not in every case bring an end to poverty, women would have a better opportunity of fighting poverty through job training and employment.

As reported by the Piton Foundation in A Profile of Poverty in Metropolitan Denver, "teenage pregnancy, which occurs at a higher rate in neighborhoods where poverty is concentrated, contributes to the growing number of female-headed families. Many teenage mothers drop out of school, attempt to rear their children by themselves and need long-term public assistance. Half of the families receiving Aid To Families with Dependent Children (ADFC) in Denver are headed by women who were teen mothers. Among teenagers in Denver, Hispanics had the highest pregnancy rates (114 per 1000 women) . . ."

In addition, poverty has a significant affect on availability of prenatal care. Because of a lack of prenatal care, newborns have a higher incidence of illness and birth defects and mothers have a higher occurrence of delivery and post delivery health problems.

Another factor contributing to the poverty of single parent families is the absence of child support. As reported by the Federal Office of Child Support Enforcement in 1983, 8.7 million women in the United States were raising children without fathers in the home. Of these, 58 percent, or five million, had court orders or agreements establishing a right to child support. Only half of these mothers, 2.5 million, received the full amount owed. Another quarter, 1.3 million, received only partial payments, while the remaining 1.2 million received nothing at all. Although specific ethnic data is not available for Colorado, lack of payment of child support is a problem in the Hispanic community, as well as for the total community.

Child abuse and neglect are present in the Hispanic community. In 1980, Colorado's statistics showed 4,775 cases of reported abuse; of these cases, 1,409 were non-white; 17.6 percent or 843 were Hispanic. The State Department of Social Services notes several factors that should be taken into account in interpreting the higher reporting rate for Hispanics, in particular, the effects of poverty. Hispanic families, on average, experience greater economic stress which in turn may result in increased risk for abuse or neglect. Also, a higher proportion of Hispanics live in inner-city neighborhoods, and the stresses of inner-city living may increase risks for abuse and neglect.

Further, the higher rate may be due to reporting phenomena rather than to actual differences in levels of abuse or neglect. Higher levels of contact with public social agencies and health clinics increase the odds that a "suspicious" injury will be referred to protective services. Prejudice, perhaps operating subtly among both professionals and nonprofessionals, may increase the odds that a referral will be made in a "questionable" situation. In sum, socioeconomic factors in combination with reporting goals seem to explain much of the difference in rates.

The third issue, alcohol and drug abuse, is a serious and costly problem. According to the 1984 State Plan for Alcohol and Drug Abuse Treatment, Hispanics constitute 18.6 percent of the Denver population, but accounted for 25-31 percent of the Denver DUI arrests from 1973-1981. It is estimated that Hispanics accounted for 22-26 percent of statewide involuntary commitments to alcohol treatment, while representing only 11.8 percent of state population. However, these high statistics could be attributed to the variance in the application of alcohol related laws in Hispanic communities.

Mortality rates for Hispanics are 33 percent greater than that of Anglos. Comparisons show that on the average the life expectancy rate for Hispanics is five years shorter than that for Anglos. The major causes for lack of preventive health care to Hispanics are poverty, the rising cost of health care, lack of insurance benefits, physical accessibility and mobility (i.e., elderly), cultural barriers, the dehumanization of our health delivery systems, and lack of information on disease prevention and health care.

Responsibility

To positively impact Health and Human Services for Hispanics, the Hispanic community must take responsibility to advocate for improved and expanded services. The private and public entities responsible for health care and human service delivery throughout the state of Colorado must improve delivery systems, accessibility and quality of care to expand services to the Hispanic Community.

Health and Human Services Goals

Increase by 10 percent the AFDC allotments for all children and families who have no other source of income.

Increase by 25 percent the availability of low cost/subsidized day care and other supportive services for low income women.

Increase by 30 percent the number of educational and training programs for low income female heads of households.

Increase by 40 percent child support payments and/or collection.

Increase by 25 percent the number of prenatals and parenting programs for teenage single parents.

Encourage health and human services delivery systems to reduce cultural and language barriers.

Increase preventive health care educational programs focused on the Hispanic population.

POLITICAL PARTICIPATION AND LEADERSHIP

The population growth of Hispanics and their increasing participation in the political process has and will continue to impact national and statewide elections. Currently Hispanics are the second largest ethnic group in the United States. By the year 2060, Hispanics will become the largest ethnic group. Sheer numbers will give Hispanics enormous political clout.

Influencing public policy decision-making requires active and vigorous participation in the political process. Hispanics must continue to intensify their level of political participation to advocate and defend their community interest.

Issues

There are three major issues that affect the Hispanic community:

Lack of political sophistication and internal coordination within the Hispanic community;

Deep and widespread sense of political apathy within the community;

Systematic and institutional racism.

Hispanic representation in public office has increased significantly in recent years. Colorado has over 160 Hispanic elected public officials. Hispanics currently serve as state legislators, mayors, municipal officials, assesors, sheriffs and school board members. While such individual successes are impressive, incumbent Hispanic office holders need to start identifying, recruiting, working with and developing future political leaders. In addition "state of the art" political campaign techniques, now widely known and understood throughout the community, need to be employed. Further, there needs to be improved communication vehicles enabling Hispanic public officials to report on the impact of legislation and policy on Hispanics.

A sometimes unresponsive political structure has resulted in a significant level of apathy among Hispanics. Many believe that the political process and public policy issues are irrelevant to them individually and to the future of the community as a whole. Although the number of Hispanics registered to vote has significantly increased, more Hispanics need to be encouraged to register. In addition, more effort to increase voter turnout is critical.

The Hispanic vote can and will decide elections. As reported by the National Association of Latino Elected and Appointed Officials Education Fund (NALEO), when a candidate for statewide office captured 14.6 percent of the Hispanic vote in Colorado, his or her overall total vote increased by one percent. To increase voter turnout among Hispanics, we need to demonstrate the power the Hispanic community can bring to bear on improving their quality of life by exercising their right to vote.

Systematic and institutional racism remain significant obstacles to increasing the impact of Hispanics in the political process. In many areas of Colorado, at-large elections prevent Hispanic citizens from holding public office. Frequent attempts are made during the reapportionment process to "gerrymander" existing and potential Hispanic districts. Furthermore, economic discrimination, combined with the growing financial requirements of politics, preclude many Hispanics from conducting viable election campaigns.

Responsibility

Significant political successes can be achieved if the Hispanic community takes responsibility, plans and acts in an effective and coordinated manner. Colorado has a great opportunity to engage, challenge and utilize the leadership available in the Hispanic community. By electing Hispanic leaders to public office, the Hispanic community can more fully realize its vision and dedication to improve the quality of life for Hispanics and all Coloradans.

Political Participation and Leadership Goals

Identify and implement strategies to eliminate at-large state and local elections across Colorado.

Facilitate increased Hispanic representation by ensuring the appointment of at least two Hispanics to the 1990 reapportionment commission.

Develop a "think tank" that communicates public policy and political positions of direct interest of Hispanic individuals and the community.

Utilize the "think tank" to promote closer collaboration between existing and potential public office holders and the community.

Increase by 20 percent Hispanic voter registration.

Increase by 30 percent the Hispanic voter turnout for elections.

Coordinate fund raising within the community by creating a Hispanic Political Action Committee.

Encourage Hispanic elected officials to report the potential impact of public policy to Hispanic organizations.

MEDIA

As the Hispanic population grows, the influence of media coverage and Hispanic representation in the media will have enormous impact in shaping opinion and projecting images of the Hispanic community. Print, radio and television media have a fundamental responsibility to report on community events, as well as to inform the community about national and international events.

Issues

There are two major issue areas related to the media:

Under-representation of Hispanics in the media;

Coverage of Hispanics by the media.

There are only a few Hispanic, on-air/on-camera personalities on major radio or television stations in Denver. Although Hispanics comprise about 12 percent of Colorado's population, less than two percent of news room staffs are Hispanic. A major concern of Hispanics in the media is they often become the lone booster of Hispanic events and activities and are typecast as "the Hispanic reporter." The limited number of Hispanics in the media also results in a paucity of role models for Hispanic youth.

The need to improve news coverage of the Hispanic community is essential to developing a more positive image of Hispanics. By focusing on positive aspects of the community, the media could develop a constructive working relationship and gain a more respectful perception of the Hispanic community.

There is also a need to increase the media's interest in covering newsworthy Hispanic events. Far too often, the media has not been notified in advance of newsworthy events. The Hispanic community generally distrusts the media to cover events objectively and accurately. This has hampered dissemination of news promoting a positive image of Hispanics.

Responsibility

The Hispanic community has responsibility for its image and presence in the media. Organized efforts led by local community-based groups and leaders to work with the media can improve the current relationship between the media and Hispanic community.

The media itself has a responsibility to project a realistic view of society, as well as of particular ethnic communities. The media's power structure must create opportunities for advancement and promotion of Hispanics in the media, in addition to promoting a policy of covering news about Hispanics and the Hispanic community.

Hispanics in the media have a responsibility to ensure that positive Hispanic images are projected; Hispanic professionals are promoted; the Hispanic community is served; and to act as role models to Hispanic youth.

Media Goals

Identify Hispanic media persons to become role models for the Hispanic community and its youth.

Coordinate recruiting efforts of Hispanic youth to increase the numbers of qualified Hispanics in the media.

Revitalize the Community Affairs Seminars educating the Hispanic community about how to better utilize the media.

Develop a "Who's Who" Hispanic Resource Directory that includes names and phone numbers of Hispanics in all areas of expertise.

Develop a constructive working relationship between the Hispanic community and the media to promote positive media coverage.

Achieve equal representation across all levels of employment of Hispanics in the media by 1990.

Establish community networks to create the exchange of information, expertise, and resources.

Create a partnership between Hispanics in the media and the Hispanic community at large to insure media accountability for program contents, hiring practices and other issues related to Hispanics.

BUILDING ACCOUNTABILITY

A reading of the summaries of each of the major components demonstrates that the Hispanic community perceives itself as a key player in promoting change. Change will only occur if our community takes action—NOW.

This Agenda is only the beginning. Action committees will be created to develop strategies to achieve our stated goals. No one has more invested in the success of this Agenda than the Hispanic Community.

The community at large and the Hispanic community must now begin to build bridges to open up opportunities for greater involvement of Hispanics in decision-making positions. It is through this open process that we will begin to accept our interdependence on each other to obtain a better quality of life for all of Colorado's people. This Hispanic leadership is eager and willing to address the issues identified in this report to usher in a new dawn for Colorado's Hispanics. We move forward, not forgetting the past, but building on it, to achieve the goals we have developed that will secure a better future for Hispanics and Colorado.

STRATEGIC APPROACH AND CRITERIA

The following is a standard set of criteria we used to provide an organized approach to identifying goals and objectives, developing plans and establishing time frames for achievement of this component of the Hispanic Agenda.

Goals are defined as our long-term vision of what we want the Hispanic Community to achieve. Objectives can be thought of as accomplishments required prior to achieving the established goals.

Task 1: Identify the key issues, needs and problems in your specific socioeconomic area.

Recommended criteria:

A. How do these issues, needs and problems specifically impact Hispanics?

B. How does this situation compare to the total population?

C. What are the current issues and/or barriers that hinder success?

D. How should these issues/barriers be "prioritized"?

Task 2: Identify who has the ultimate responsibility in this socioeconomic area.

Recommended Criteria:

A. Who are the individuals, organizations, agencies and groups responsible for addressing this socioeconomic area?

B. What is their relative role?

C. How successful are they in addressing this area?

Task 3: Provide recommendations, including goals and objectives that will positively impact the issues identified in Task 1.

Recommended Criteria:

A. What are the goals/objectives in the short-term (one-three years), 5 years, 10 years?

B. What specific policies, do you suggest to achieve realistic, clear and measurable objectives?

C. Should the roles of the current key players (identified in Task 2) be altered? If so, how?

D. Who else should be involved in addressing this area?

E. Is public/private sector cooperation necessary to impact this area? If so, in what specific form?

F. How should the achievement of these goals and objectives be evaluated and measured?

Task 4: Identify the interrelationships of your suggested recommendations with the other components of the Hispanic Agenda.

THE NEW INTERNATIONAL FINANCIAL SERVICES CENTER IN DUBLIN

Mr. KENNEDY. Mr. President, I wish to draw the attention of my colleagues to the ambitious plans of the Government of Ireland to build an International Financial Services Center, covering an area over 1 million square feet, and projected to cost $400 million, at the Customs House dock site on the north bank of the River Liffey in Dublin.

Dedicated to strengthening Ireland's economic contacts around the globe, the new center will make Dublin a vital hub of economic activity. Designed to be a focal point for business, commerce, and tourism, the Customs House Center will develop a new Irish financial services industry—one which will be able to compete internationally by use of advanced telecommunications technology. Already, these plans for new financial services have sparked the interest and enthusiasm of the American business community. In fact, several American banking institutions have indicated they wish to be major participants in the endeavor.

It is no secret that Ireland has faced severe difficulties during the economic recessions engendered by the world's two major oil crises. The attempts by successive Irish Governments to maintain the standards of living and services enjoyed by the Irish people resulted in the imposition of a great strain on the budget. The new Irish Government elected last February has taken disciplined and energetic measures to restore balance in the budget and has reiterated and renewed Ireland's commitment to export-led growth. Already there are several very positive indications that these corrective measures are bearing fruit. Public borrowing has been contained, inflation is at its lowest level in 20 years, and in the first half of this year, Ireland has enjoyed its best-ever export figures. A record Irish trade surplus is being forecast for 1987.

These optimistic indicators do not alter the fact that Ireland is experiencing difficulties in providing jobs and livelihoods for all its people, especially for the youth who make up a large proportion of the population. It would be a tragedy if, after Ireland had invested so much in its youth and especially in education throughout the 1960's and 1970's, the country were to see the cream of its highly educated graduates forced to seek a living and a future outside their own country in the 1980's.

That is a major reason why the Irish Government has decided to establish this International Financial Services Center, which will provide as many as 7,500 jobs, will open new opportunities for young Irish men and women to use their talents, to practice their hard-

earned technological skills and to demonstrate their initiative and enterprise for the benefit of their own country. It was the Irish people who made the initial investment and effort to produce a technologically advanced work force, and it is only right that the Irish people should reap the eventual rewards of this investment.

The Irish Government's remarkable initiative deserves encouragement by the United States. It offers a real possibility for a resurgence of hope and opportunity in a land that has given much to America. Over the centuries, Ireland's greatest contribution to the world has been its people. Throughout our history, the United States has been enriched by the contributions of Irish Americans, and America has not forgotten its Irish roots. Since the 1960's, American business leaders and industrialists have invested much time and money in establishing plants and in developing industries in Ireland.

America's involvement has been fruitful, productive, and beneficial to both countries. It shows that Ireland, the Irish people, and the Irish work force have much to offer American investors and corporations. It also shows that America has the ability and the willingness to help an old friend in a practical and economically realistic way.

This new project presents a fresh opportunity for America and Ireland to work together, and establish Dublin as a hub of the international financial services network. The Irish Government is especially interested in the participation of American firms in this enterprise, and such participation deserves to be in command—for this financial services initiative makes sense for Ireland and for the United States as well.

A CENTURY OF SERVICE TO THE CITIZENS OF OGDEN, UT

Mr. HATCH. Mr. President, Let me take this opportunity to congratulate the Ogden, UT, Chamber of Commerce on its 100th anniversary which it celebrates this year. This organization embodies the spirit of American business and community involvement.

The Ogden Area Chamber of Commerce was first organized in 1887, when Utah was still a territory. It is the oldest chamber of commerce in the State of Utah and the model for many similar organizations in the State.

The chamber has a distinguished history of service to the community of Ogden. It has been actively involved in the development of Ogden from the very beginning. While chamber records from the early days are few, we do know that in 1908 there were 198 members, and it is worth noting that three businesses still operating today were among those members then.

Throughout its 100 years of existence, the Ogden Area Chamber of Commerce has been involved in local and regional projects to improve business and community life in Ogden. Business has banded together more than once in the town of Ogden to initiate necessary positive change. In 1926, chamber president James Devine led a successful fight to keep the Internal Revenue Service from moving its center out of Ogden. Today, the IRS is a regional service center employing more than 3,000 Ogden area residents. During that same year, the chamber listed as major projects a new hotel, a new industrial business, a viaduct extension, a dam, and a railroad track extension.

Over the years the Ogden Chamber of Commerce has been directly involved in a number of local and regional projects to enhance commercial life in the area. Among those are the Golden Spike Livestock Coliseum, the National Guard Armory, the first Credit Bureau, two new high schools, and numerous others.

Mr. President, the Ogden Area Chamber of Commerce boasts a membership of 1,245, and the people who constitute this membership strive to improve the business life in Ogden. These Utahns are directly involved in encouraging a strong convention business, improving the image of Ogden, encouraging residents to shop locally, attracting industry to the area, and building a stronger membership.

Congratulations to the Ogden Area Chamber of Commerce on a century of service. I suspect this chamber will be around for another 100 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:47 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; and

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month".

At 4:14 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuse and neglect assistance.

The Message also announced that the House has passed the following joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 34. Joint resolution to authorize the President to issue a proclamation designating the week beginning on November 22, 1987, and ending November 30, 1987, as "National Family Week";

H.J. Res. 224. Joint resolution designating the week of October 18, 1987, through October 24, 1987, as "Benign Essential Blepharospasm Awareness Week";

H.J. Res. 255. Joint resolution designating the third week in May 1988 as "National Tourism Week";

H.J. Res. 331. Joint resolution designating October 1987 as "National Cosmetology Month"; and

H.J. Res. 338. Joint resolution designating October 15, 1987, as "National Safety Belt Use Day".

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 7:08 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuses and neglect assistance;

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; and

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month".

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore (Mr. STENNIS).

MEASURES REFERRED

The following joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 34. Joint resolution to authorize the President to issue a proclamation designating the week beginning on November 22, 1987, and ending November 30, 1987, as "National Family Week"; to the Committee on the Judiciary.

H.J. Res. 255. Joint resolution designating the third week in May as "National Tourism Week"; to the Committee on the Judiciary.

H.J. Res. 331. Joint resolution designating October 1987 as "National Cosmetology Month"; to the Committee on the Judiciary.

H.J. Res. 338. Joint resolution designating October 15, 1987 as "National Safety Belt Use Day"; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following joint resolution was read the first and second times by unanimous consent, and placed on the calendar:

H.J. Res. 224. Joint resolution designating the week of October 18, 1987, through October 24, 1987, as "Benign Essential Blepharospasm Awareness Week".

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BUMPERS, from the Committee on Appropriations, with amendments:

H.R. 2714: A bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 1988, and for other purposes (Rept. No. 100-158).

By Mr. JOHNSTON, from the Committee on Appropriations, with amendments:

H.R. 2700: A bill making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes (Rept. No. 100-159).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

C. William Verity, Jr., of Ohio, to be Secretary of Commerce.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nonimee's commitment to repond to request to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GARN (for himself and Mr. HATCH) (by request):

S. 1687. A bill to correct historical and geographical oversights in the establishment and development of the Utah component of the Confederated Tribes of the Goshute Reservation, to unify the land base of the Goshute Reservation, to simply the boundaries of the Goshute Reservation, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHILES:

S. 1688. A bill to allow the obsolete submarine U.S.S. *Turbot* to be transferred to Dade County, FL; to the Committee on Armed Services.

By Mr. EXON (for himself and Mr. KARNES):

S. 1689. A bill to amend section 127 of title 23, U.S. Code (relating to vehicle weight), to permit the operation of vehicles in the State of Nebraska which could be lawfully operated within such State on May 1, 1982; to the Committee on Environment and Public Works.

By Mr. CONRAD:

S. 1690. A bill to amend the Historic Sites, Buildings, and Antiquities Act of 1935, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRANSTON (for himself and Mr. MURKOWSKI):

S. 1691. A bill to provide interim extensions of collection of the Veterans' Administration housing loan fee and of the formula for determining whether, upon foreclosure, the Veterans' Administration shall acquire the property securing a guaranteed loan; by unanimous consent, placed on the calendar.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HELMS:

S. Con. Res. 73. A concurrent resolution calling on the President to place the Chinese human rights situation on the agenda of the U.N. Commission on Human Rights; to the Committee on Foreign Relations.

S. Con. Res. 74. A concurrent resolution calling on the President to retaliate against the expulsion of Western journalists from China; to the Committee on Foreign Relations.

S. Con. Res. 75. A concurrent resolution calling for the release of Yang Wei; to the Committee on Foreign Relations.

By Mr. INOUYE (for himself, Mr. EVANS, Mr. DECONCINI, Mr. BURDICK, Mr. MCCAIN, Mr. ADAMS, Mr. BOREN, Mr. CONRAD, Mr. CRANSTON, Mr. D'AMATO, Mr. DOLE, Mr. FORD, Mr. FOWLER, Mr. LEVIN, Mr. PELL, Mr. PRYOR, Mr. REID, Mr. RIEGLE, and Mr. STAFFORD):

S. Con. Res. 76. A concurrent resolution to acknowledge the contribution of the Iroquois Confederacy of Nations to the Development of the United States Constitution and to reaffirm the continuing government-to-government relationship between Indian tribes and the United States established in the Constitution; to the Select Committee on Indian Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GARN (for himself and Mr. HATCH) (by request):

S. 1687. A bill to correct historical and geographic oversights in the establishment and development of the Utah component of the Confederate Tribes of the Goshute Reservation, to unify the land base on the Goshute Reservation, to simplify the boundaries of the Goshute Reservation, and for other purposes; to the Committee on Energy and Natural Resources.

MODIFICATIONS TO GOSHUTE INDIAN RESERVATION

● Mr. GARN. Mr. President, I am pleased to introduce this legislation with Senator HATCH which is designed to clarify and correct numerous matters affecting the status of the land of the Confederated Tribes of the Goshute Reservation, which lies along the west-central border of Utah. I introduced virtually the same bill at the end of the last term, but time constraints made passage impossible. I am optimistic that the Senate will be able to consider this matter and act favorably on it this year.

Since the creation of its reservation over 80 years ago, the small, 400 member Goshute Tribe has been plagued by problems relating to its reservation boundaries.

Most obvious of all of these problems is a strip of land approximately one-quarter mile wide and 8 miles long which cuts through the middle of the reservation, but does not belong to the tribe. This strip resulted from an error in the Executive order legal descriptions originally establishing the reservation. Technically, the strip is now held by the United States as a part of the Bureau of Land Management inventory. This bill will change the status of the title so that the United States will hold it in trust as a part of the Goshute Reservation.

Among the other provisions of the bill are sections which will place the tribal cemetery—now owned privately by the tribe—in trust status along with surrounding BLM land. Other sections will combine surface and subsurface interests where such are now split between tribal and Federal ownership.

I believe that this bill is noncontroversial and will meet with the support of the tribe, the non-Indians in the area, and affected Government agencies. Last year, my staff met with members of the tribal government and with members of the non-Indian community. Their concerns and interests have been carefully noted and are reflected in the draft of the bill which I introduce today. Through this process of gathering and evaluating comments from the public, we have been able to eliminate the possibility of local objections to the bill.

In addition, we have worked closely with representatives of the Department of the Interior in the Bureau of Indian Affairs and the Bureau of Land Management and have accepted their suggestions to improve the bill. We have also incorporated the suggestions of the representatives from the interested departments of the State of Utah.

I hope that this bill will see prompt action by the Senate to make passage possible this year.

Mr. President, I ask unanimous consent that a memorandum in support of the legislation and a section-by-section analysis be printed in the RECORD.

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

MEMORANDUM IN EXPLANATION AND SUPPORT OF GOSHUTE RESERVATION IMPROVEMENT LEGISLATION

INTRODUCTION

The main body of the Goshute Indians resides on an arid and remote 95,000-acre reservation which straddles the Utah-Nevada border, approximately 40 miles south of the city of Wendover. This small tribe of about 400 members has occupied the lands in this general area since time immemorial. After the creation of their reservation, however, the members of the tribe have been beset by boundary problems which plague the administration of tribal affairs on their lands.

A review of the history of the creation of the various components of the Goshute Indian Reservation has revealed a number of problems in the historical and geographical development of the reservation. The proposed legislation has been introduced in an effort to cure many of these problems and to simplify and streamline the boundaries of the reservation.

In recent years, Congress has passed a number of acts to simplify, unify and otherwise improve the boundaries of other existing Indian reservations. See, for example, the Acts codified in the following sections: 25 U.S.C. §§ 463-463c (Papago Indian Reservation), 25 U.S.C. §§ 463d-g (Umatilla Indian Reservation), 25 U.S.C. §§ 459-465 (general), 25 U.S.C. § 465a (Klamath Tribe), 25 U.S.C. § 467 (general), 25 U.S.C. § 487 (Spokane Indian Reservation), 25 U.S.C. § 501 (Yakima Indians), 25 U.S.C. §§ 610-610e (Swinomish Tribe), and 25 U.S.C. §§ 621-624 (Pueblo and Canoncito Navajo Indians). *See also* F. Cohen, *Handbook of Federal Indian Law*, pp. 477-480 (1982 ed.). The proposed Goshute reservation improvement legislation is similar in purpose to these acts and includes much of the legislative language which has become standard in such acts.

SECTION BY SECTION ANALYSIS

SECTION 1

President Wilson created the first small Goshute Indian Reservation by means of an executive order in 1914.

Current federal Indian law holds that presidential exeuctive orders which created reservations do not in and of themselves create property rights within the meaning of the Fifth Amendment in the Indian occupants of those reservations. The Goshute Tribe now desires Congress to officially recognize President Wilson's executive order of 1914 and thereby vest the Tribe with Fifth Amendment property rights in the 1914 reservation In Section 1 of the bill, Congress expressly recognizes and confirms the title of the Goshute Tribe to the reservation created by President Wilson's Executive Order. The section also specifies the effective date for determining water rights and priorities for the entire reservation to be the same as that of the respective executive orders (or such earlier dates as may be indicated by any applicable order or law).

SECTION 2

Section 2 guarantees third parties all valid rights they may have in any of the lands affected by this bill. This section also covers implementation matters such as transition of responsibility for leases, improvements, and so forth. The section also provides for the Secretary of the Interior to review the validity of all mining claims existing on the reservation, and the section further delineates the rights attendant with any valid claim.

SECTION 3

Subsection (a). When President Wilson created the first Goshute Indian Reservation in 1914, his executive order did not extend the western boundaries of this "Utah" reservation all the way to the Utah-Nevada state line. This omission or oversight left a strip of land about one-quarter mile wide and eight miles long between the western boundary of the reservation and the Utah-Nevada state line.

In 1938, Congress created a second small reservation for the Goshutes in east central Nevada. In doing so, Congress extended the eastern boundary of this 1938 reservation all the way east to the Nevada-Utah state line. This left the Utah and Nevada reservations or the Utah and Nevada "halves" of the "one" reservation separated by the thin strip of federal but non-Indian land on the Utah side of the state line. The lands in this strip consist of 1,753.51 acres of BLM land and an enclave of some 320 acres of private land.

The Goshute Indian Tribe believes the United States always intended that both the eastern (Utah) and western (Nevada) sides of the Goshute reservation be physically joined and that the historical accident which resulted in the omission of this small strip from the reservation in 1914 and which prevented the unification of the reservation lands in 1938 can and should be remedied. Subsection 3(a) provides for the addition of the BLM lands in this "Goshute Strip" to the rest of the reservation. The private lands are not affected.

Subsection (b). In 1921, the United States, pursuant to the General Allotment Act, alloted 160 acres of the 1914 Executive Order Reservation to the heirs of Pon Dugan, a Goshute Indian. A few years later, the Department of the Interior discovered that the land it had allotted Dugan included various agency buildings. The Department subsequently arranged to re-acquire the acreage upon which the buildings stood, and, accordingly, bought back half or 80 acres of the original allotment acreage. This reconveyance was finalized in 1926. Unfortunately, none of the legal documents which effectuated this reconveyance indicates that the United States took these 80 acres in trust for the Goshute Indians. Thus, these 80 acres right in the middle of the reservation are in a status akin to the "Goshute strip"—federal but not reservation land. The purpose of Section 3 is to correct this situation.

Subsection 3(b) provides for the addition of this small parcel of federal but non-Indian land within the 1914 Executive Order Reservation area to the Goshute reservation. (The remaining acreage of the original allotment is apparently still in the hands of the heirs of Pon Dugan; the bill does not affect these 80 acres.)

Subsection (c). Since the creation of the first Goshute reservation in 1914 and pursuant to authority contained in the Indian Reorganization Act, 25 U.S.C. § 461m, et. seq., the United States has acquired several hundreds of acres within and outside of the boundaries of the 1914 and 1938 reservations which it holds in trust for the Goshute Indians. The government concentrated its efforts in acquiring lands for the Tribe in an area approximately 6 miles north of the Utah half of the reservation and 4 miles east of the Nevada half of the reservation. This area now consists of approximately 1,440 acres of land. In recent years, the Tribe has constructed various buildings, a community center with a gymnasium, and a steel welding plant on this acreage. The area has become known as the "lower" (in elevation) or "headquarters" area of the reservation.

The Indian Reorganization Act, Section 7 (25 U.S.C. § 467), reads in part: The Secretary of the Interior is hereby authorized to proclaim new Indian reservations on lands acquired pursuant to any authority conferred by . . . this title, *or to add such lands to existing reservations.* [Emphasis added.]

This section has been interpreted and applied to the effect that unless the Secretary takes some affirmative action to officially add lands acquired pursuant to the Act to a reservation, the lands so acquired, even though they may be held in trust, are not officially part of existing reservations.

The Secretary has never taken any action to officially add the above mentioned lands which are held in trust for the Goshute Indians to the Goshute Indian Reservation. Thus, these IRA lands, although within or adjacent to the reservation and held by the United States in trust for the Goshute Indians, are not technically part of the reservation. The purpose of this subsection is to remedy this oversight or omission. In this subsection, Congress officially declares the lands described therein to be part of the Goshute Indian Reservation.

Subsection (d). From time to time and for various reasons, the United States in its own capacity and not in trust for the Goshute Indians, has reserved various subsurface resources in the Ibapah area.

Unfortunately, whenever the United States has taken the subsurface of such lands in trust, it did not always take the subsurface rights previously reserved in such lands by the United States in trust. The result has been that in many cases, the surface and subsurface estates of such lands are split, the surface being held in trust, the subsurfaces being held by the United States but not in trust. This subsection will unify the surface and subsurface estates and place them in trust for the tribe as a part of the reservation. Presently, there are no mineral resources known to exist on the lands in question.

Subsections (e) and (f). Pursuant to the provisions of the Cemetery Act of March 1, 1907, 43 U.S.C. § 682, the Goshute Tribe acquired a cemetery, consisting of 5 acres, in Section 4, Township 10 South, Range 19 West. These lands held by the Goshute Tribe as a private entity (not held by the United States in trust), are not now a part of the reservation. Subsection (e) calls for the addition of this 5 acre cemetery (and any other land which the Goshute Tribe may own in its own right as a private party) to the reservation.

In order to provide unrestricted access to the Goshute Tribal Cemetery and to further streamline reservation boundaries, Subsection (f) provides for the addition of the acreage in Section 4, Township 10 South, Range 19 West, which surrounds the cemetery (plus the northwest ¼ of the northwest ¼ of Section 9) to the headquarters part of the reservation.

Subsection (g). This subsection directs the Secretary of the Interior to prepare and publish a legal description of the subject lands, correct any technical errors in legal descriptions, and prepare a map depicting the lands added to the reservation.

SECTION 4

In 1896, when Utah became a state, the federal government sought to alleviate the consequences of the federal government's control of large parts of the state (the main

consequence being there was proportionately less land in private ownership subject to taxation) by granting the State of Utah four sections of each 36 section township; the idea being that by leasing such sections, the State could generate revenues to help support the public schools. Accordingly, the Enabling Act that permitted statehood provided:

"That upon . . . admission . . . Sections numbered 2, 16, 32, and 36 in every Township of said proposed state . . . are hereby granted . . . for the support of common schools."

Pursuant to this Act, the State of Utah presently holds several sections of land within, adjacent to or in close proximity to the Goshute Reservation.

Section 4 simply provides that if any enclaves of state land (surface or subsurface) within the present boundaries of the Goshute reservation ever become federal land pursuant to a federal land—state land exchange such as that contemplated by PROJECT BOLD, they will automatically become reservation lands. The Section merely provides that if a certain contingency happens, then the Tribe would not be faced with the existence of what currently plagues the Tribe, that is, enclaves of federal but non-reservation land within the reservation. This section provides that in the case such state land ever becomes "federalized" such newly formed federal enclaves will be automatically added to the reservation.

SECTION 5

Section 5 allows the Secretary of the Interior to acquire by donation, exchange, or purchase other lands in close proximity to the reservation. The advice and consent of the tribe is required in any such transaction with the following limitations: only tribal funds are to be used and any exchange is to be of equal value.

SECTION 6

This Section requires the Secretary of the Interior to consider the needs and wishes of the tribe in the event the United States intends to divest itself of approximately 640 acres of land which borders the tribal headquarters area.

SECTION 7

Section 7 extinguishes the reserved right of the United States to construct ditches and canals on the lands described in the act and any other lands acquired for the tribe in the future.

SECTION 8

This Section contains "boiler-plate" language concerning the application of the laws of the United States relating to Indian land.

SECTIONS 9 AND 10

Section 9 sets forth definitions of the terms "reservation," "Secretary," and "Tribe." Section 10 contains the legal descriptions of the lands referred to in the foregoing sections.

CONCLUSION

The thrust of this proposed legislation is to perform several tasks of a "housekeeping" nature, to correct certain historical oversights in the creation and development of the reservation, and to simplify and streamline the boundaries of the reservation.

In sum, the proposal calls for the immediate attention of approximately 2,198.51 acres of land to the reservation. All of this land was at one time a part of the aboriginal area of the Goshutes. In 1977 the tribe concluded a lengthy case against the United States under the Indian Claims Act. That case determined that the government had taken approximately seven million acres of tribal land in the late 1800's. Under that case, the tribe was compensated for the taking at a rate of approximately one dollar per acre. An offset was made from the total due the Goshutes for the reservation areas that were granted back to the tribe. It appears from the calculations of those areas, however, that the "strip" running through the middle of the reservation was included in determining the offset even though the lands in the strip were not then included in the reservation. Consequently, the return of this land to the tribe as a part of their reservation should not have any monetary implications because the value of the strip has already been included in the value of the offset deducted from the claims judgment.

The bill has been the subject of much correspondence, meetings, informal hearings, and more than four years of work by the Goshute Tribe. The Goshute Tribe believes that the present form of the bill resolves in a satisfactory way all the questions and concerns which have been raised by federal and state government agencies and local non-Indians neighboring the subject area. It is anticipated that the bill will have no budgetary, regulatory, or paperwork impact.●

By Mr. CHILES:

S. 1688. A bill to allow the obsolete submarine U.S.S. *Turbot* to be transferred to Dade County, FL; to the Committee on Armed Services.

TRANSFER OF "TURBOT" SUBMARINE TO DADE COUNTY

● Mr. CHILES. Mr. President, today I am introducing a bill to expedite transfer of the U.S. Navy's obsolete *Turbot* submarine to Dade County, FL for use in their Artificial Reef Program.

The county has agreed to all of the Navy's terms for the transfer, including liability for all costs associated with the transfer. I know of no opposition to this action.

The Navy will be soon forwarding to Congress notice of the intended donation of the *Turbot* as required by title 10 of United States Code 7308. This code requires that the proposal remain before Congress for 60 continuous days.

Mr. President, the timing of this transfer is critical. It must take place before the windy, winter months to ensure a smooth move operation. Congressman PEPPER is offering an identical measure today, and I am hopeful that we can secure timely action on this bill.●

By Mr. EXON (for himself and Mr. KARNES):

S. 1689. A bill to amend section 127 of title 23, United States Code (relating to vehicle weight), to permit the operation of vehicles in the State of Nebraska which could be lawfully operated within such State on May 1, 1982; to the Committee on Environment and Public Works.

VEHICLE WEIGHTS WITHIN THE STATE OF NEBRASKA

Mr. EXON. Mr. President, I am introducing legislation today for myself and for Senator KARNES to correct a problem that has caused difficulty for the State of Nebraska, the Nebraska Department of Roads, and the trucking industry.

The issue involves the interpretation of current Federal law on the authority of Nebraska to set weight limits above 80,000 pounds on its interstate system. The State of Nebraska Department of Roads has allowed certain weight limits of 95,000 pounds on its interstate system only if a vehicle has sufficient axles and sufficient axle spacing to conform to the bridge formula set out in law. The raising of the Nebraska interstate weight limits benefited the farming, construction, and trucking industries of Nebraska at no cost to the highway system based on the opinion and studies of the Nebraska Department of Roads.

This conclusion evidently is not unique to Nebraska. Other Midwestern States allow weight limits greater than 95,000 pounds, including South Dakota, Wyoming, and Michigan.

My bill would amend the United States Code to clarify the "grandfather rights" under current Federal law of the Nebraska Department of Roads to permit higher weight limits and place Nebraska on the same footing as other States which have higher limits and are not being threatened with loss of their Federal highway funds. The Federal Department of Transportation is attempting to unfairly penalize Nebraska in this case.

Mr. President, this is an important bill and a fair and equitable bill for Nebraska. I am pleased to have the original cosponsorship of my colleague, Senator KARNES, in this endeavor. I look forward to working with my colleages on this issue.

By Mr. CRANSTON (for himself and Mr. MURKOWSKI):

S. 1691. A bill to provide interim extensions of collection of the Veterans' Administration housing loan fee and of the formula for determining whether, upon forclosure, the Veterans' Administration shall acquire the property securing a guaranteed loan; placed on the calendar by unanimous consent.

HOME LOAN PROGRAM PROVISIONS

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I, together with the committee's distinguished ranking minority member [Mr. MURKOWSKI], have today introduced S. 1691, a bill to provide 3-month, interim extensions of two provisions relating to the Veterans' Administration's home loan guaranty program which would otherwise expire on September 30, 1987.

First, our bill would extend through December 31, 1987, the general requirement in section 1829 of title 38, United States Code, for the collection of a 1-percent fee on those receiving a housing loan guaranteed, insured, or made by the Veterans' Administration.

Second, our bill would extend for the same 3-month period the provisions of section 1816(c) of title 38 establishing a statutory formula—known as the "no-bid formula"—for determining whether the VA shall, or shall not, acquire at a liquidation sale the property securing a VA-guaranteed loan that is in default.

These provisions were enacted in section 2512(a) of the Deficit Reduction Act of 1984 (Public Law 98-369) and, as noted, are scheduled to expire on September 30.

On August 3, 1987, the House of Representatives passed in sections 3 and 6 of H.R. 2672 2-year extensions of the fee-collection requirement and, with certain revisions, the formula, respectively. Likewise, on July 30, 1987, the Senate Committee on Veterans' Affairs ordered reported in S. 9, the proposed "Omnibus Veterans, Benefits and Services Act of 1987," a 2-year extension of the fee and 1-year extension of the formula with revisions different from those in the House bill. It is clear that there is insufficient time between now and September 30 to obtain Senate passage of the provisions in S. 9, resolve the differences with the House, and enact an extension in the context of those bills.

The administration strongly supports extensions of, indeed making permanent, the collection of a VA loan fee and the "no-bid" formula.

I would note that the extension of the fee is assumed in baseline figures underlying the fiscal year 1988 congressional budget (H. Con. Res. 93). Moreover, any hiatus in the collection of the fee would both be inequitable to those required to pay the fee before and after the hiatus and would jeopardize the solvency of the VA's Loan Guaranty Revolving Fund and create a need for additional appropriations—about $25 million for each month the fee is not collected—to pay the claims of the holders of defaulted VA-guaranteed loans.

Mr. President, the formula governing VA acquisition of properties securing loans being foreclosed has been in effect for 3 years and provides principles, well-known throughout the housing and banking industries, by which the VA must abide. I believe that it is important to extend the termination date of this current "no-bid" formula in order to allay concerns among mortgage bankers and various other concerned parties that the rules governing VA acquisitions may be changed during the period between September 30 and the enactment of legislation to extend and, possibly, revise the formula.

Mr. President, I am seeking to put this bill immediately on the calendar today and will seek Senate action tomorrow on this interim legislation. I wish to express my gratitude to Senator MURKOWSKI for his support and cooperation in this effort. We are both hopeful that our good friends and counterparts in the House of Representatives, House Veterans' Affairs Committee Chairman "SONNY" MONTGOMERY and ranking minority member GERALD SOLOMON, will find this bill acceptable and obtain House action sending it to the President for signature in a timely manner.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

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

S. 1691

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding section 2512(c) of the Deficit Reduction Act of 1984 (Public Law 98-369), the provisions of section 1816(c) of title 38, United States Code, shall continue in effect through December 31, 1987.

(b) Notwithstanding subsection (c) of section 1829 of such title, fees shall be collected under such section with respect to loans closed during the period beginning October 1, 1987, and ending December 31, 1987.

Mr. MURKOWSKI. Mr. President, I am pleased to join with my colleague from California in introducing legislation which would ensure the continued financial integrity of the Veterans' Administration Home Loan Guaranty Program.

No veterans' program has a wider impact on American society and the American economy than the Veterans' Home Loan Guaranty Program. Since 1944, the mortgages used to purchase over 12 million homes have been guaranteed by the VA. Through this program, millions of veterans have gained the stability and economic benefits that flow from home ownership. Millions of families have started matured in a stable secure environment.

It is not without reason that home ownership is widely defined as "the American Dream."

It is not without reason that the Congress has acted to ensure the benefits of this "American Dream" are available to those who served our Nation in uniform.

Mr. President, the impact of the Veterans' Home Loan Guaranty Program extends far beyond the ranks of America's veterans.

This program benefits those who build the homes; those who supply the builders; those who sell the land; those who finance the sales; those who broker the sales, and beyond.

All of these beneficiaries, and therefore the entire Nation, have a stake in the continued economic health of the Veterans' Home Loan Guaranty Program. The economic health of the program is in turn dependent upon measures the Congress has enacted to protect the financial integrity of the loan guaranty revolving fund. The authority for two of these measures, the 1-percent loan origination fee and the so-called no bid formula, will expire at the end of this month. The legislation we are introducing today would extend this authority for 90 days.

Mr. President, this fall, both bodies of Congress will have the opportunity to consider legislation which would reform and improve this critical veterans' program. The temporary legislation we are today introducing is needed to ensure the program will continue to operate in a stable and financially sound manner until the Congress has time to consider more comprehensive reforms.

Failure to adopt this legislation will deprive the loan guaranty revolving fund of the income from the 1-percent loan fee now paid by homeowners who benefit from this program.

Mr. President, this event would quickly exhaust the loan guaranty revolving fund and jeopardize the program's continuation. Congress would be forced to either provide additional funds by means of appropriations, or allow the Veterans' Home Loan Guaranty Program to cease operation. At a time of enormous fiscal constraints, we can no longer be assured that additional appropriations in excess of $300 million would be available.

For these reasons I urge my colleagues to join me in supporting this legislation which will allow the current situation to continue for 90 days until we have more comprehensive legislation before us.

ADDITIONAL COSPONSORS

S. 461

At the request of Mr. MITCHELL, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 461, a bill to prohibit the implementation of certain regulations of the Secretary of Health and Human Services and the Secretary of Agriculture respecting irradiated foods, to amend the Federal Food, Drug, and Cosmetic Act to prescribe labels for irradiated food, and for other purposes.

S. 660

At the request of Mr. DURENBERGER, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 660, a bill to create a fiscal safety net program for needy communities.

S. 936

At the request of Mr. DURENBERGER, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 936, a bill to amend title

XVIII of the Social Security Act to permit certain individuals with physical or mental impairments to continue Medicare coverage at their own expense.

S. 998

At the request of Mr. DECONCINI, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

S. 1019

At the request of Mr. RIEGLE, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1019, a bill to amend the Internal Revenue Code of 1986 to clarify the tax exempt treatment of self-insured workers' compensation funds.

S. 1220

At the request of Mr. KENNEDY, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 1220, a bill to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome.

S. 1393

At the request of Mr. HEINZ, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of S. 1393, a bill to amend title 39, United States Code, to designate as nonmailable matter any private solicitation which is offered in terms expressing or implying that the offeror of the solicitation is, or is affiliated with, certain Federal agencies, unless such solicitation contains conspicuous notice that the Government is not making such solicitation, and for other purposes.

S. 1440

At the request of Mr. EVANS, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1440, a bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid, and Food Stamp Programs; to impose a temporary moratorium for the collection of penalties under such programs, and for other purposes.

S. 1483

At the request of Mr. HEINZ, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1483, a bill to reestablish food bank special nutrition projects, to establish food bank demonstration projects, and for other purposes.

S. 1489

At the request of Mr. MOYNIHAN, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1489, a bill to amend section 67 of the Internal Revenue Code of 1986 to exempt certain publicly offered regulated investment companies from the disallowance of indirect deductions through pass thru entities.

S. 1522

At the request of Mr. RIEGLE, the names of the Senator from Alabama [Mr. SHELBY], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1522, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage certificates may be issued.

SENATE JOINT RESOLUTION 111

At the request of Mr. HEINZ, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

SENATE JOINT RESOLUTION 148

At the request of Mr. D'AMATO, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 184

At the request of Mr. RIEGLE, the names of the Senator from Florida [Mr. CHILES], the Senator from Virginia [Mr. WARNER], the Senator from Illinois [Mr. SIMON], the Senator from Idaho [Mr. SYMMS], the Senator from Virginia [Mr. TRIBLE], the Senator from North Dakota [Mr. CONRAD], the Senator from Arkansas [Mr. BUMPERS], the Senator from Utah [Mr. HATCH], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Mr. SARBANES], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Texas [Mr. BENTSEN], the Senator from North Dakota [Mr. BURDICK], the Senator from Wisconsin [Mr. KASTEN], the Senator from South Carolina [Mr. THURMOND], the Senator from Idaho [Mr. MCCLURE], the Senator from Washington [Mr. ADAMS], the Senator from California [Mr. WILSON], the Senator from Tennessee [Mr. GORE], the Senator from West Virginia [Mr. BYRD], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of Senate Joint Resolution 184, a joint resolution designating October 15, 1987, as "National Safety Belt Use Day."

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. HEFLIN, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of Senate Concurrent Resolution 15, a concurrent resolution expressing the sense of the Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the 99th Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. CRANSTON, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. GRASSLEY, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

SENATE RESOLUTION 246

At the request of Mr. MOYNIHAN, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Texas [Mr. BENTSEN], the Senator from North Dakota [Mr. CONRAD], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Mississippi [Mr. STENNIS], the Senator from North Carolina [Mr. SANFORD], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Resolution 246, a resolution to honor Irving Berlin for the pleasure he has given to the American people through almost a century of his music.

AMENDMENT NO. 591

At the request of Mr. DANFORTH, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of amendment No. 591 intended to be proposed to S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

SENATE CONCURRENT RESOLUTION 73—RELATING TO HUMAN RIGHTS ISSUES IN CHINA

Mr. HELMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 73

Whereas Mr. Liu De, Editor of the Jianan Literature and Art Journal has been imprisoned for 7 years by the Peoples Republic of China Ministry of State Security;

Whereas the principal charge against Mr. Liu was his advocacy of "democracy and freedom", for his native country;

Whereas Mr. Xue Deyun, a poet, has been arrested for the nonviolent expression of his

fundamental right to freedom of opinion, expression and demonstration;

Whereas Mr. Liu Binyan, Vice Chairman of the Chinese Writers Association has been dismissed form his position and has become the target of a public campaign of vilification and abuse;

Whereas the said Mr. Liu Binyan is best know to Chinese readers as an investigative reporter who uncovered abuses of power by local Communist Party secretaries, extortion, bribery, intimidation of intellectuals and persecution of ordinary people;

Whereas Mr. Liu Xinhu, director of the magazine "People's Literature" has been dismissed from his position for having advocated pluralism in literature;

Whereas Mr. Wang Ruowang, the former Deputy Editor of Peoples Daily, has been dismissed from his position and has become the subject of a public campaign of vilification and abuse;

Whereas the said Mr. Wang, a Communist Party member for 50 years, was accused of having said, "If I am not given freedom, I will fight for it";

Whereas Mr. Fang Lizhi, the Vice President of the University of Science and Technology at Hefei, Anhui, and one of China's leading scientists, has been dismissed from his position and has become the subject of a public campaign of vilification and abuse;

Whereas the said Mr. Fang has been accused of arguing that "the starting point of democratic ideology is from the lower levels of higher";

Whereas Mr. Guan Weiyan, the President of the University of Science and Technology at Hefei, Anhui, has been dismissed from his position for not having censored the said Mr. Fang;

Whereas Mr. Lu Jiaxi and Mr. Yan Dengsheng, the President and Vice President, respectively, of the Chinese National Academy of Sciences, have been dismissed from their positions for having advocated freedom of scientific inquiry;

Whereas Mr. Liu Zaifu, Director of the Institute of Literature at the Chinese Academy of Social Sciences has been purged and vilified for advocating freedom of expression in literature;

Whereas Mr. Wu Zuguang, a noted playwright, has been purged and is the subject of a public campaign of vilification and abuse;

Whereas Mr. Wang Ruoshui, former deputy chief editor of People's Daily has been purged for having advocated freedom of the press;

Whereas Mr. Su Shaozhi, Director of the Academy of Social Sciences Research Institute of Marxism-Leninism-Mao Zedong Thought has been dismissed from his position for having advocated freedom of expression in ideological debate;

Whereas Mr. Zhang Xianyang, Director of the Marxism-Leninism-Mao Zedong Thought Laboratory under the Chinese Academy of Social Sciences Research Institute of Marxism-Leninism-Mao Zedong Thought has been purged for having advocated freedom of expression in ideological debate;

Whereas Mr. Sun Changjiang, deputy chief editor of the Beijing Keji Bao has been purged for having advocated freedom of the press;

Whereas Mr. Yu Haocheng, editor of the Peoples' Publishing Company has been purged for allowing his company to print materials favorable to democracy;

Whereas Mr. Yang Wei, a 1983 graduate of the University of Arizona has been imprisoned and charged with unspecified counterrevolutionary activities by officials of the Shanghai Public Security Bureau;

Whereas the principal accusation against the said Mr. Yang is advocacy of political freedom in China;

Whereas Dr. Che Shaoli, Mr. Yang's wife and a student at Baylor University in Houston, Texas, has been refused information about her husband's whereabouts by Chinese authorities;

Whereas the treatment of Mr. Yang and his family is frightening to all Chinese students now studying in the West and meant to be so by Chinese authorities;

Whereas Mr. Zhu Houze, the Chief of Propaganda for the Chinese Communist Party has been dismissed from his position for advocating "democratic pluralism";

Whereas Mr. Wei Jing-sheng, one of the leaders of the Chinese "Democracy Wall" movement of 1978-80, has been transported to a strict regime labor camp in Qinghai Province;

Whereas Mr. Liang Jimen, Director of the Chinese State Family Planning Commission has admitted that coercion is still being used to force Chinese women to have abortions;

Whereas the Chinese Communist Party's Propaganda Department has assumed direct control of the heretofore independent Chinese Federation of Literary and Arts Circles;

Whereas a new office has been established directly under the Chinese State Council to tighten control and censorship of the press.

Whereas Mr. Song Muwen, Vice Director of the People's Republic of China State Media and publication Office has bragged that 10 million copies of 1,000 titles of books and periodicals have been suppressed in the first 5 months of 1987;

Whereas Chinese censors have suppressed 39 publications in the Province of Guangxi alone;

Whereas the Shenzhen Youth News in southern China has been ordered closed by officials of the Peoples Republic of China;

Whereas the scholarly journal DuShu ("Reading Books") has been suppressed for translating Western literature and philosophy;

Whereas the said Shenzhen Youth News was accused by Chinese officials of promoting Western democratic ideals;

Whereas the Shenzhen newspaper Special Zone Workers has been closed for having advocated Western democratic ideals;

Whereas the Shenzhen monthly Special Zone Literature has been closed for having advocated Western democratic ideals;

Whereas the Society newspaper of Shanghai has been ordered closed by officials of the Peoples Republic of China;

Whereas the Society newspaper of Shanghai was accused of advocating Western democratic ideals;

Whereas the Hubei Youth News in central China has been closed for having advocated Western democratic ideals and its reporters are under investigation by political authorities;

Whereas the Anhui Science Journal in eastern China has been closed for having advocated Western democratic ideals;

Whereas the Anhui Journal of Scientific News in eastern China has been closed for having advocated Western democratic values;

Whereas radical elements within the Chinese Communist Party are reported to be targeting the World Economic Herald of Shanghai, a newspaper that has published a wide variety of views over the past year;

Whereas the People's Republic of China is a member state of the United Nations;

Whereas the People's Republic of China has adopted the United Nations Charter and accepted its priniciples in authoritative declarations and resolutions including the Universal Declarations of Human Rights;

Whereas the activities of the People's Republic of China authorities described above violate such principles in the United Nations Charter as are presented in the Preamble (emphasizing fundamental human rights); Article 2 (2) (pledging all members to a good faith commitment to Charter obligations): Article 55(a)(b)(c) (promotion of human rights and fundamental freedoms); and Article 56 (pledge to carry out said principles);

Whereas the activities of the People's Republic of China authorities described above violate the basic standards found in the Universal Declaration of Human Rights via the Preamble (pledge of respect for human rights and fundamental freedoms); Article 2 (guarantee of all rights to every citizen of signatory member state); Article 3 (guarantee of life, liberty and security of the person); Article 7 (equal protection before the law); Article 8 (trial by competent tribunal); Article 9 (prohibition against arbitrary arrest or detention); Article 10 (fair public trial); Article 18 (freedom of thought and conscience); Article 19 (freedom of speech and expression); Article 20 (freedom of peaceful assemble and association); and Article 29 (limitation of state intrusion on individual rights);

Whereas the People's Republic of China by the action of its Government and Communist Party authorities violated Article 13(1)(b) (promoting international education and assisting human rights) of the United Nations Charter;

Whereas the People's Republic of China has violated the Universal Declaration of Human Rights in Article 26 (right to an education directed at full development of personality) and Article 27(1)(2) (right to participate in cultural life with protection of moral and material interests resulting from one's own intellectual labors);

Whereas cultural relations between the United States and the People's Republic were established by the United States-People's Republic of China Cultural Agreement signed in Washington on January 31, 1979;

Whereas under the terms of the said Cultural Agreement the People's Republic of China guaranteed the encouragement and facilitation of the exchange of information and cooperative programs (Articles I, II, and III);

Whereas exchanges of scholars and students between the United States and the People's Republic of China were established by the Understanding on the Exchange of Students and Scholars reached in Washington in October 1978 and the United States-People's Republic of China Agreement in Science and Technology signed in Washington January 31, 1979;

Whereas under the terms of the said agreement on the exchange of students and scholars, the People's Republic of China guaranteed a two-way scientific and scholarly exchange for students, graduate students and scholars, offering full study support and research opportunities for the purpose of improving contracts in science, technology and education;

Whereas under the terms of the said agreement on Science and Technology the People's Republic of China promised cooperation, exchange of information and docu-

mentation, joint research, contacts between scientific entities and cooperation among the scientific communities of each nation;

Whereas, the Government and Communist Party officials of the People's Republic of China are in violation of the aforesaid Cultural, Scientific and Technology and Exchange of Students and Scholars Agreements by the arrest and continued detention without trial of returned University of Arizona student Yang Wei;

Resolved by the Senate, (The House of Representatives concurring) that it is the sense of the Congress that the current urgent situation in human rights in the People's Republic of China should be placed on the agenda of the United Nations Commission on Human Rights at its next meeting in Geneva, Switzerland.

Be it further resolved that the Congress of the United States calls upon the government of the People's Republic of China to release Mr. Yang Wei.

Be it further resolved that until the human rights situation in the People's Republic of China clarifies, the United States Government should offer Chinese students studying in the United States participation in the Extended Voluntary Departure Program.

Be it further resolved that it is the sense of the Congress that the United States Government should reexamine its technology (including nuclear) and arms transfer policies towards the People's Republic of China.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the chief of the diplomatic mission of the People's Republic of China to the United States.

SENATE CONCURRENT RESOLUTION 74—RELATING TO JOHN FISHER BURNS

Mr. HELMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 74

Whereas Mr. John Fisher Burns, a British subject and Beijing correspondent for the New York Times was accused of espionage by officials of the People's Republic of China Ministry of State Security;

Whereas the said espionage consisted of having photographed a 1,000 year old marble bridge;

Whereas Mr. Burns was expelled from China on July 23, 1986;

Whereas Mr. Lawrence MacDonald, an American citizen and Beijing correspondent for the Agency French Press was accused of espionage by officials of the People's Republic of China Ministry of State Security;

Whereas both Mr. MacDonald and Agency French Press formally denied the accusations of espionage;

Whereas the charges against Mr. MacDonald were totally unfounded and Mr. MacDonald had never transcended the standards of professional ethics;

Whereas Mr. Shuitsu Henmi, a Japanese citizen and Beijing correspondent for the Kyodo News Service was accused of espionage by officials of the People's Republic of China Ministry of State Security;

Whereas both Mr. Henmi and the Kyodo News Service formally denied the accusations of espionage;

Whereas Mr. Henmi was expelled from China on May 9, 1987;

Whereas these actions taken by the People's Republic of China Ministry of State Security were intended to intimidate both Chinese sources and Western Journalists;

Whereas the expulsion of Mr. MacDonald came in retaliation for legitimate broadcasting by the Voice of America, an agency of the United States Government;

Whereas press relations between the United States and the People's Republic of China were established by the United States-People's Republic of China Cultural Relations Agreement signed in Washington January 31, 1979;

Whereas Article II of the said agreement commits the Chinese Government to encourage and facilitate the development of contacts and exchanges between the two countries including news organizations;

Whereas the United States Information Agency is the lead agency on the said cultural agreement for the United States Government;

Whereas the expulsions of Mr. Burns and Mr. MacDonald were contrary to the spirit and intent of the said cultural agreement;

Whereas the expulsions of Mr. Burns and Mr. MacDonald were meant to discourage the development of contacts and exchanges between the two countries and, thus, specifically contrary to Article II of the said cultural agreement;

Whereas Article 19 of the Universal Declaration of Human Rights declares "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers";

Whereas the expulsions of Mr. Burns, Mr. MacDonald and Mr. Henmi from the People's Republic of China were intended to and had the effect of denying Chinese citizens rights guaranteed to them under Article 19 of the Universal Declaration of Human Rights;

Whereas Article 19 (2) of the International Covenant on Civil and Political Rights declares, "Everyone shall have the right to freedom of expression; this right shall include freedom to seek, receive and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any other media of his choice";

Whereas the expulsions of Mr. Burns, Mr. MacDonald and Mr. Henmi from the People's Republic of China were intended to and had the effect of denying Chinese citizens rights guaranteed to them under Article 19 of the International Convenant on Civil and Political Rights;

SENATE CONCURRENT RESOLUTION 75—RELATING TO YANG WEI

Mr. HELMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 75

Whereas, Yang Wei, a Chinese national, studied at the University of Arizona from 1983 until he received his Masters of Science degree in microbiology in 1986;

Whereas, in May 1986 Yang Wei returned to China to marry Dr. Che Shaoli and arrange for funding for his continued studies under a Ph.D. program at the University of Arizona;

Whereas, on January 11, 1987 while still an official student at the University of Arizona, Yang Wei was arrested by the Shanghai Public Security Bureau;

Whereas, Yang Wei has been held without charge or trial since January 11, 1987;

Whereas, Mr. Yang's wife, a student at Baylor Medical College in Houston, Texas, has been refused any information about her husband's whereabouts or condition by Chinese authorities;

Whereas, Mr. Yang's father, Yang Jue, and his mother Bi Shuyun, have been denied all contact with their son;

Whereas, the Chinese Criminal Procedure law of 1979, Sections 92, 97, 125 and 142 provides for a maximum of four and a half months of detention without charge or trial and Yang Wei has now been held over eight months, contrary to Chinese law;

Whereas, Yang Wei has not committed any crime under United States or Chinese law;

Whereas, Yang Wei and his wife only aspire to freedom and democracy;

Whereas, the treatment of Mr. Yang and his family is frightening to all Chinese students now studying in the West and meant to be so by Chinese authorities; and

Whereas, recently more than two thousand Chinese students signed an open letter to express their concern about recent political developments in their country; be it

Resolved by the Senate and House of Representatives concurring, That—

(1) The People's Republic of China should immediately release Yang Wei and provide compensation for his illegal detention; and

(2) Until the human rights situation in the People's Republic of China clarifies, the United States Government should offer Chinese students studying in the United States participation in the Extended Voluntary Departure Program.

CONCURRENT RESOLUTIONS RELATING TO HUMAN RIGHTS VIOLATIONS IN COMMUNIST CHINA

Mr. HELMS. Mr. President, tomorrow morning, September 17, at 10 o'clock the Senate Foreign Relations Committee will address the issue of human rights violations in Communist China. I am grateful to the distinguished chairman of the committee, Senator PELL, for scheduling this important committee hearing.

Last winter and spring, Mr. President, I addressed this body four times on the issue of human rights violations in Communist China. I was by no means alone. Almost 2,000 Chinese students in the United States have signed an unprecedented letter of concern to their Government. One hundred and sixty distinguished American China scholars sent an open letter of concern. The University of Michigan's China Studies Center sent an open letter. Distinguished Chinese American scholars and colleagues from Hong Kong sent a fourth letter.

We all had hoped that these indications of concern would turn Communist Chinese authorities away from their anti-intellectual, anti-foreign political campaign known as the campaign against bourgeois liberalism. However, we have not been successful. The campaign has only intensified. Last month the Communist Party

propaganda chief declared that the struggle against Western notions of democracy and human rights remains "tense and serious" thereby providing the basis for the continuing purge of intellectuals with different points of view on political reform.

Mr. President, it is China's intellectuals, its brightest and its best, who have paid the price for this latest round of barbaric madness. Educators, scientists, poets, journalists, newspaper editors, the list goes on and on. Just last month there was a new round of purges—a well-known playwright, more newspapermen, social scientists. This is a Chinese roll of honor, Mr. President.

As the principal purpose in this campaign is the suppression of ideas it follows that the Communists would turn their attention to the press and publications. A new office has been established for the direct purpose of tightening control and censorship of the press. Filled with leftists who prospered during the misbegotten Cultural Revolution, this office, unlike other Government offices in Communist China, is very efficient. The Vice Director of the office bragged in June that 10 million copies of 1,000 titles of books and periodicals have been seized and destroyed.

Let me repeat that figure, Mr. President: 10 million copies of 1,000 titles of books and periodicals seized and destroyed.

Similar to the honor roll of Chinese patriots who have been purged this year, there is a list of Chinese publications which have been suppressed. Unfortunately, we do not have all the names. We know that there have been literary, scientific, and economic journals suppressed. Thirty-nine publications were closed in one small province alone.

Mr. President, during the Senate discussions over the Soviet Government's suppression of the human rights among the peoples it controls, the question often comes up, "Why devote so much attention to the fate of one man when millions are suffering?" The answer is twofold: One man can symbolize millions and sometimes totalitarian regimes will release one man. These are the reasons that Natan Shcharansky is free today.

Today I am submitting a concurrent resolution on one man—University of Arizona student Yang Wei. As I informed the Senate last spring Yang Wei was arrested on January 11, 1987, and is still being held. His crime is an aspiration to freedom and democracy for his native land. My resolution calls for the release of Yang Wei and the opportunity for other Chinese students to remain in the United States temporarily while the current political campaign runs its course.

On March 25 I submitted Senate Concurrent Resolution 39 and Senate Concurrent Resolution 40. Today I am resubmitting them as modified to adjust to changed circumstances. The circumstances which have changed are the continuation of the current anti-intellectual political campaign. Since March 25 another Western reporter has been expelled from Communist China, at least 40 newspapers and journals have been suppressed and many more intellectuals have been purged.

Mr. President, I ask unanimous consent that two articles from the May/June 1987 issue of China Spring Digest and two lists of purged Chinese intellectuals and suppressed publications be printed in the RECORD.

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

CHINESE PUBLICATIONS SUPPRESSED 1987

"Dushu" (Reading Books).
Society (Shanghai).
World Economic Herald (Shanghai).
Shenzhen Youth News.
Hubei Youth News.
Anhui Science Journal.
Anhui Journal of Scientific News.
Special Zone Workers (Shenzhen).
Special Zone Literature (Shenzhen).

CHINESE INTELLECTUALS PURGED 1987

Fang Lizhi, scientist/educator.
Liu Binyan, journalist.
Lu Jiaxi, president, Chinese Academy of Sciences.
Yan Dongsheng, vice-president, Chinese Academy of Sciences.
Zhu Houze, party official.
Yang Wei, micro-biologist.
Wang Roushui, journalist.
Yu Guangyuan, economist.
Liu De, journalist.
Liu Xinwu, newspaper editor.
Wang Ruowang, literary critic/poet
Guan Weiyan, educator.
Wu Zuguang, playwright.
Su Shaozhi, social scientist.
Yu Haocheng, newspaper editor.
Liu Zaifu, novelist.
Zhang Xianyang, social scientist.
Sun Changjiang, newspaper editor.
Xue Deyun, poet.

PLEASE HELP SAVE MY HUSBAND, YANG WEI—A U.S.-EDUCATED STUDENT ARRESTED IN SHANGHAI

(By Dr. Che Shaoli)

I am Yang Wei's wife, Che Shaoli. I was born in Shanghai in 1956. I graduated from First Medical School of Shanghai in 1983. I married Yang Wei in the summer of 1986 and came to the United States in November of the same year. I am studying for my Ph.D in Baylor college of Medicine in Texas.

Now, I must tell the plight of my husband, Yang Wei, who was secretly arrested in Shanghai, and I appeal for help.

A BRIEF BIOGRAPHY OF YANG WEI

Yang Wei was born and grew up in Shanghai in 1955. He graduated from the Biology Department of Fudan University in 1981. In 1983, he came to America to study microbiology at the University of Arizona. He received his master's degree in 1986, and returned to China to marry me in May of the same year. Yang Wei waited in China for the approval of a fellowship to continue his Ph.D. studies in the U.S.

Yang Wei's home address is: Apt 404. #13 the 5th Guang Zhong Village, Guang Zhong Rd., Shanghai, China.

THE ARREST OF YANG WEI

On January 11 of 1987, Yang Wei was arrested at his parents' home in Shanghai. Several points are noteworthy about his arrest.

1. The police had illegally searched Yang Wei's parent's home, and they found some leaflets supporting the students movement, and some of Yang Wei's personal notes about the students movement.

2. The police did not have a search or arrest warrant, nor did they show any proof that Yang Wei had broken the law. They took him into custody, saying it was a "detention check."

3. The police threatened Yang Wei's parents not to make it public, especially not to let me know because I am studying in the United States.

4. Since then Yang Wei's whereabouts has been unknown. His family members have not been allowed to visit him.

OUR FAMILY BACKGROUND

Yang Wei's father, Yang Jue, is a senior cadre of the Chinese Communist Party. He was a department head at Shanghai Railway College.

Yang Wei's mother, Bi Shuyun, also a member of the Chinese Communist Party, is now secretary of the General Party Branch of the Department of Secretariat in Shanghai University.

My parents are also Communist Party Officials. My father was the deputy commander of the Jiangsu Province's military region.

Both Yang Wei and I are not against the Government, however, we stand for China's current reforms, and we aspire to freedom and democracy.

PURSUIT OF LIBERTY AND DEMOCRACY IS NO CRIME

Yang Wei's arrest is related to his involvement in the students movement in Shanghai in December, 1986. To my knowledge, he is deeply concerned about China's four modernizations and reforms. He always stands by the reformists Hu YaoBang and Zhao Ziyang, and firmly supports students' demands for freedom and democracy. He kept a close contact with the students movement. But all of his activities were within the limits of law. He met students from various colleges, made notes and took pictures of the development of the movement. He did all this is keeping with his rights as a citizen.

MY POINTS

1. Yang Wei did not commit any crime.

2. The Shanghai Public Security Bureau did not follow legal procedures in their arrest and detention of Yang Wei.

3. The Bureau has shown themselves guilty while threatening Yang Wei's parents not to reveal Yang Wei's arrest to the public. The fact that they tried to keep it a secret to me shows that they don't trust Chinese students abroad.

4. It is illegal and inhumane not to inform Yang Wei's family members of his whereabouts to this day.

5. Students abroad are frightened at the treatment some overseas students received upon their return. Recently, more than one thousand overseas students signed an open letter to express their concern about recent political developments in the country. Yang Wei's arrest means that all of the students who have signed the letter could face political persecution. As far as I know, many stu-

dents who returned to China have been interrogated and investigated. If this practice is not changed, how can returning students have any sense of safety?

MY DEMANDS

1. The truth of Yang Wei's case must be given immediately.

2. Yang Wei must be released immediately.

Once again I appeal to media around the world to pay attention to my husband's case and show sympathy.

LIVING FOR HUMAN DIGNITY—AN INTERVIEW WITH YANG WEI'S WIFE AND RELATIVES

(By Qiu Chun)

Yang Wei, who was a graduate student at the University of Arizona between 1984 and 1986, went back to China in June 1986 to get married. While waiting for a grant to continue his study in the United States, Yang Wei was secretly arrested by the Shanghai Public Security Bureau on January 11 for his participation in the students movement at the end of 1986. After his arrest was publicized, the case aroused strong public reaction at home and abroad. Responding to it, Senator Helms has proposed a draft resolution, which would allow Chinese students extended voluntary departure, lest the students who have been associated with the democracy movement be endangered upon their return to China.

The following article is an interview with Yang Wei's wife Che Shaoli, sister Yang Xiaobei and her husband Yu Mang. The interviewer, Ms. Qiu Chun, is a personal friend of the family. She had submitted this interview to many Chinese publications in an effort to win sympathy and support for Yang Wei.

QIU. Yang Wei was secretly arrested by the Public Security Bureau in January because of his participation in the students movement. After his case was reported by the press, it attracted extensive attention from the concerned public. People want to know more about you. Would you please tell us how you met, fell in love and got married?

CHE. Our marriage was considered unusual by most people. We had never seen each other before our marriage. So when we were just married, my family felt that Yang Wei was a stranger.

QIU. How did you get to know each other? Were you introduced by someone?

CHE. Yes, it was Yu Mang who introduced us to each other. They were classmates in college. Later, Yu Mang and I went to the same graduate school. He knew both of us quite well.

When Yang Wei was in the United States, he studied very hard. However, he was always able to take time to write to me. His letters were very interesting and full of in-depth thinkings. In his first letter to me he talked about his ideas "About Wife." A good wife should, he thinks, be well educated, kind and ready to help people. Also, she should preferably be healthy and like sports. People who enjoy sports are relatively more magnanimous and optimistic. To him, her appearance is not important. He said his wife should have the new ideas of the 1980s.

QIU. How long did you know each other before you got married? And when did you come to the United States?

CHE. We had corresponded for one year. He came back to China to marry me after he had got his master degree. I came to America in November, 1986, six months after we got married while Yang Wei was still waiting for his grant to continue his Ph.D studies in the United States.

QIU. Xizobei, you are Yang Wei's sister, would you please tell us about yourself and your family?

YANG. I was among the students who were allowed to take the college entrance examination admitted for the first time after the Cultural Revolution. After graduation, I taught at a very small school before coming to the United States in 1985.

My parents are both retired now. My Father, Yang Jue, used to be a director in the Shanghai Railway College. My mother, Bi Shuyun, worked on a variety of jobs. Before the Cultural Revolution, she was a teacher in the Chinese Language Department at Fudan University. During the Cultural Revolution, she was sent to work in the countryside. After the Cultural Revolution, she came back to Shanghai to work in the college of arts at Fudan University.

QIU. Did your parents have any special expectations for you and your brother? How did they raise you?

YANG. My parents expected more of my brother than me, especially in the academic field. They hoped that we could study well. During the Cultural Revolution, getting into college depended on "recommendations." Surely we didn't have any chance. After Deng Xiaoping reinstated the college entrance examination system, we had already interrupted schooling for several years.

QIU. Did they instill in you a sense of responsibility toward the country and the society?

YANG. Of course they did. Both of my parents are members of the Communist Party. They taught us to enjoy working and love socialism. The Communist party had liberated the people, therefore, they said, we should obey the Party.

QIU. How do you think about your brother?

YANG. I think my brother would be nothing special if he were in America. But in China, things are different. In the thirty years since the liberation, the people have not been able to develop their individualities. Comparatively, Yang Wei is active and creative. Many people feel Yang Wei is different from them. Some people say he is odd, some call him a bookworm, some think he is honest. One thing they have in common is that he is different.

QIU. Shaolee, what in Yang Wei is special attractive to you? What is his outlook on life?

CHE. His own words tells his outlook on life. He said a person's existence is trivial, one must strive hard to make this existence significant, and to be recognized. He said, striving is a lonesome endeavor. But he is also a very confident person. It seems he knows exactly what he is doing; he is not one bit nihilistic about life. I admire him a lot, and consider him a very happy man.

QIU. Yu Mang, you went to college with Yang Wei. Would you please tell us about your study environment and what is your knowledge and evaluation of him?

YU. Not only were we classmates for four years at Fudan University, we were also roommates. I knew him quite well. It was the first time after the Cultural Revolution we were able to enter college through entrance examinations. All of us earnestly hoped to make the best out of college. We also felt the backward state of our country must change. Yang Wei was even more eager than others. We could say that he was a very independent thinker. He had his own method of studying, he had his own opinions about learning and about the problems of the country. He cared about what was happening around him and he cared about politics.

A small episode demonstrates not only my, but the whole class' opinion about Yang Wei. Just before graduation, we all got together chatting, someone had an idea, to write some comments for each one in the class year book, entitling the book "The Class' Most . . ." Most of us got comments which were somewhat superficial and not quite true. Only the comment on Yang Wei "The Most Strange Thinker" was agreed by everybody.

QIU. Does it mean that at first you felt he was odd, but after some time, you began to agree with him?

YU. Yes, I really do feel this way. Besides, everybody knew Yang Wei was very warm-hearted. While we kidded at his oddness, we still admired him deep down. We were also convinced that Yang Wei will become an accomplished person, whether in science or in some other area.

I had mentioned that he was always ready to help others. The old bicycle of his was always free for anyone to use. One summer, our class had an outing to Mt. Huang. Yang Wei was in excellent physical condition from a love for boxing and gymnastics. He volunteered to carry all the supplies up the mountain, and still ran in front of us. He studied hard, and strived for efficiency. Even going up the mountain, he would not waste time. He kept in front of us and took a lot of scenic pictures. He told us that we were too slow and had missed lots of beautiful scenes. After he had reached the top of the mountain, he would sit in a pavilion, took out his book on "Relativity" and start to read. Yang Wei wanted to make every minute useful.

QIU. Yang Wei studied microbiology at the University of Arizona. He was planning to pursue his doctorate in this field. What was his attitude toward his field of study.

YU. His major in college was biochemistry. He did well, although he felt it was too specialized. Basically, he loved science. He had taken courses in systematic engineering and computer sciences. He did very well in all of them.

QIU. Has he enjoyed reading since childhood?

CHE. Yes. I think he was born to enjoy reading.

QIU. What does he mostly read?

CHE. According to himself, he loved mathematics when he was child. But he has also read a lot of literary works. I feel that books are his life.

YANG. He reads a variety of books, and he is very interested in philosophical readings. During the Cultural Revolution, the so-called philosophy was nothing but Marxism and Leninism. Seldom could we find a book dealing with western philosophy. He had read quite a lot of Marxist and Leninist works, and really did some research about them. My mother worked in the literary field, so we had western novels at home. During the Cultural Revolution, my mother asked us not to tell anybody about these books. She even asked us not to read them, lest we would be poisoned by these western novels. In fact, my mother was afraid that we would be punished for reading these novels.

QIU. What do you think has shaped and influenced Yang Wei's attitudes and thinking?

CHE. I think his family has exercised a great influence on him. His parents are enlightened and open-minded. But his family probably never imagined that Yang Wei could be involved in politics. He has always had an inclination and aptitude for science. Another important influence was his father. His father was considerate and understanding. Yang Wei discussed everything with him. Yang Wei's experience in America has also had an important effect on him, he felt America is efficient society.

QIU. What do you think, Xiaobei?

YANG. I think the Cultural Revolution had a significant influence on him. During that time, both of my parents were subjected to humiliations such as being forced to make confession to made-up charges and going through unreasonable investigations. Students put up large-character posters attacking them. They spent several years of exile in the countryside. At that time, we lived in a workers' quarter. My brother and I were discriminated by people there and we could not make friends with other children. We were very repressed, so we stayed at home and found consolation in books.

QIU. What was Yang Wei's attitude toward our country's four modernizations and the reform?

CHE. He supports China's reform. He hoped that the reform would bring more opportunities to more people. He said, Taiwan has no satellites in space, no rockets, but the people have higher living standard than us. He thinks, at present, it is not the priority for China to pursue the most advanced technology.

QIU. Xiaobei, do you understand your brother's motivation in supporting the democratic movement?

YANG. Sure, my brother was very concerned about the country's important events. He hopes our country to be prosperous and strong. He hopes that every Chinese will enjoy human dignity.

YU. I consider it quite normal for Yang Wei to get involved in the students movement. Originally, we all saw that the reform was having positive effects, but now it is rolling back. Anyone who has conscience and a little ambition would be concerned about the country, concerned about the reform. We cannot just watch the reform being pulled back. As an old Chinese saying puts it, "Every man is responsible for the country's up and down." I think it's normal, reasonable and patriotic for young people to take part in the demonstration activities.

QIU. Shaoli, do you support him for what he has done?

CHE. What Yang Wei has done are those things every responsible and righteous Chinese should to. I have no reason to stop him. But at the same time I am very worried about him.

QIU. Is it for love that you respect his belief and goals in life?

CHE. Yes, I think so. I think to love a person means to help that person to accomplish what he wants to do, and to help him become the most perfect person possible that he himself wants to be, not the one I want.

QIU. Xiaobei, how do you feel about your brother's arrest?

YANG. Naturally I feel very sad. My brother and I have been attached to each other since childhood. In my memory, we have never quarreled even once. My brother has always taken good care of me. I think he is very knowledgable, and I have a great respect for him.

YU. The bond between them is very strong. In my experience, brothers are seldom willing to talk about their sisters in the presence of peers. But Yang Wei frequently showed his feeling of concern for his sister. His love for his sister was what called my attention to Xiaobei.

QIU. Don't you think he tried to match you on purpose?

YU. No. Yang Wei was a bookworm. He would not go out and look for a husband for his sister. Besides, Yang Wei did not know about it until we had dated for about one year. The affection Xiaobei has for him is also very special. She is always telling me that when they were kids, her brother held her hands and took her to play. In her little girl's mind, a lover's image was just her brother.

QIU. Shaoli, how did you feel after learing of Yang Wei's arrest?

CHE. Yang Wei is a sensitive person, but he always controlled himself by reason. I have been worried that he couldn't hold out in jail, that his defense of reason would fall apart. It was hard on him to remain in China and wait for the approval of his fellowship. To him waiting is a waste of time. Later, he found something worthwhile to do, and he was arrested for it. I think his life is more valuable than mine, I wish I could change places with him in jail.

QIU. The Chinese authorities has declared Yang Wei was arrested for putting up "counter-revolutionary posters," "spreading counter-revolutionary propaganda." What do you think of these charges?

CHE. I think the Chinese government is wrong in outlawing Yang Wei's thoughts and activities. There is no legal basis to the charge of counterrevolutionary. I consider his thoughts are rather revolutionary. They are for the betterment of the Chinese society. In China, everybody is thinking about the problems Yang Wei thinks about, but only a few people would really do something about it. It is as if Yang Wei didn't know it is o.k. to think, but not to act. That is the reason for his arrest.

QIU. In view of what has happened to Yang Wei, what do you think about the safety of the returning Chinese students, especially those who have signed the open letter to the Chinese government?

YU. In my opinion, what Yang Wei thought and did then are no different from what the students did when they signed the open letter. Yang Wei's arrest means that all of those who signed the letter are at risk. I believe the students who signed the open letter, if they were in China at that time, would also have done what Yang Wei did. In this sense, Yang Wei's fate is relevant to all of us. I think the overseas Chinese students should act to support Yang Wei, because to save Yang Wei is to save themselves.

QIU. After Yang Wei's case was publicized by several newspapers, what kind of response did you receive?

YU. I got phone calls through the night. People expressed their concern about Yang Wei. And they were angry with the Shanghai Public Security Bureau.

CHE. I received a lot of calls. All showed sympathy for Yang Wei. Besides, some people voluntarily took action on behalf of Yang Wei. Now, we are getting some results. The Shanghai Public Security Bureau has softened its attitude toward Yang Wei's parents, the authorities publicly admitted that they arrested Yang Wei. I am very grateful for everyone's efforts.

QIU. Yu Mang, what kind of help do you expect of the public?

YU. I hope people from all walks of life, including the overseas students, will write letters and make telephone calls to the concerned authorities, to express their concern about Yang Wei's case.

SENATE CONCURRENT RESOLUTION 76—TO ACKNOWLEDGE THE CONTRIBUTION OF THE IROQUOIS CONFEDERACY OF NATIONS TO THE DEVELOPMENT OF THE U.S. CONSTITUTION AND TO REAFFIRM THE CONTINUING GOVERNMENT-TO-GOVERNMENT RELATIONSHIP BETWEEN INDIAN TRIBES AND THE UNITED STATES ESTABLISHED IN THE CONSTITUTION

Mr. INOUYE (for himself, Mr. EVANS, Mr. DECONCINI, Mr. BURDICK, Mr. MCCAIN, Mr. ADAMS, Mr. BOREN, Mr. CONRAD, Mr. CRANSTON, Mr. D'AMATO, Mr. DOLE, Mr. FORD, Mr. FOWLER, Mr. LEVIN, Mr. PELL, Mr. PRYOR, Mr. REID, Mr. RIEGLE, and Mr. STAFFORD) submitted the following concurrent resolution; which was referred to the Select Committee on Indian Affairs:

S. CON RES. 76

Whereas, the original framers of the Constitution, including most notably, George Washington and Benjamin Franklin, are known to have greatly admired the concepts, principles and governmental practices of the Six Nations of the Iroquois Confederacy; and,

Whereas, the Confederation of the original thirteen colonies into one Republic was explicitly modeled upon the Iroquois Confederacy as were many of the democratic principles which were incorporated into the Constitution itself; and,

Whereas, since the formation of the United States, the Congress has recognized the sovereign status of Indian Tribes, and has, through the exercise of powers reserved to the Federal Government in the Commerce Clause of the Constitution (art. I, s8, cl. 3), dealt with Indian Tribes on a government-to-government basis and has, through the Treaty Clause (art. II, s2, cl. 2), entered into 370 treaties with Indian tribal nations; and,

Whereas, from the first treaty entered into with an Indian nation, the Treaty with the Delaware Indians of September 17, 1778, and thereafter in every Indian Treaty until the cessation of treaty-making in 1871, the Congress has assumed a trust responsibility and obligation to Indian Tribes and their members to "exercise the utmost good faith in dealings with the Indians" as provided for in the Northwest Ordinance of 1787, (1 Stat. 50); and,

Whereas, Congress has consistently reaffirmed these fundamental policies over the past 200 years through legislation specifically designed to honor this special relationship; and,

Whereas, the judicial system of the United States has consistently recognized and reaffirmed this special relationship: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That:

(1) The Congress, on the occasion of the 200th Anniversary of the signing of the United States Constitution, acknowledges the historical debt which this Republic of

the United States of America owes to the Iroquois Confederacy and other Indian Nations for their demonstration of enlightened, democratic principles of government and their example of a free association of independent Indian nations;

(2) The Congress also hereby reaffirms the constitutionally recognized government-to-government relationship with Indian Tribes which has historically been the cornerstone of this nation's official Indian policy;

(3) The Congress specifically acknowledges and reaffirms the trust responsibility and obligation of the United States Government to Indian Tribes, including Alaska Natives, for their preservation, protection and enhancement, including the provision of health, education, social and economic assistance programs as necessary, to assist Tribes to perform their governmental responsibility to provide for the social and economic well-being of their members and to preserve tribal cultural identity and heritage; and

(4) The Congress also acknowledges the need to exercise the utmost good faith in upholding its treaties with the various Tribes, as the Tribes understood them to be, and the duty of a Great Nation to uphold its legal and moral obligations for the benefit of all of its citizens so that they and their posterity may also continue to enjoy the rights they have enshrined in the United States Constitution for time immemorial.

AMENDMENTS SUBMITTED

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

WARNER (AND OTHERS) AMENDMENT NO. 682

Mr. WARNER (for himself, Mr. THURMOND, Mr. HUMPHREY, Mr. QUAYLE, Mr. WILSON, Mr. GRAMM, Mr. SYMMS, Mr. MCCAIN, Mr. HELMS, Mr. HOLLINGS, and Mr. WALLOP) proposed an amendment to the bill (S. 1174) to authorize appropriations for fiscal years 1988 and 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes; as follows:

On page 23, strike out line 7 through page 24, line 19.

QUAYLE (AND OTHERS) AMENDMENT NO. 683

Mr. QUAYLE (for himself, Mr. WILSON, and Mr. HELMS) proposed an amendment to the bill S. 1174, supra; as follows:

SEC. SENSE OF CONGRESS ON THE KRASNOYARSK RADAR.

(a) FINDINGS.—The Congress finds the following:

(1) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying ballistic missile early warning radars except at locations along the periphery of its national territory and oriented outward.

(2) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying an ABM system to defend its national territory and from providing a base for any such nationwide defense.

(3) Large phased-array radars were recognized during negotiation of the Anti-Ballistic Missile Treaty as the critical long lead-time element of a nationwide defense against ballistic missiles.

(4) In 1983 the United States discovered the construction, in the interior of the Soviet Union near the town of Krasnoyarsk, of a large phased-array radar that has subsequently been judged to be for ballistic missile early warning and tracking.

(5) The Krasnoyarsk radar is more than 700 kilometers from the Soviet-Mongolian border and is not directed outward but instead, faces the northeast Soviet border more than 4,500 kilometers away.

(6) The Krasnoyarsk radar is identical to other Soviet ballistic missile early warning radars and is ideally situated to fill the gap that would otherwise exist in a nationwide Soviet ballistic missile early warning radar network.

(7) The President has certified that the Krasnoyarsk radar is an unequivocal violation of the Anti-Ballistic Missile Treaty.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Soviet Union is in violation of its legal obligation under the 1972 Anti-Ballistic Missile Treaty.

BENTSEN (AND OTHERS) AMENDMENT NO. 684

Mr. BENTSEN (for himself, Mr. GRAMM, and Mr. COCHRAN) proposed and amendment to the bill S. 1174, supra; as follows:

On page 198, between lines 4 and 5, insert the following

PART C—MISCELLANEOUS PROVISIONS

SEC. 2831. COMMUNITY PLANNING ASSISTANCE

The Secretary of Defense may expend not more than $300,000 from funds appropriated to the Department of Defense for fiscal year 1988 pursuant to an authorization contained in this division and not more than $300,000 from funds appropriated to the Department of Defense for fiscal year 1989 pursuant to an authorization contained in this division to provide planning assistance to communities located near Gulf Coast homeports proposed under the Naval Strategic Dispersal Program, if the Secretary determines that the financial resources available to the communities (by grant or otherwise) are inadequate.

EXTENSION OF PHYSICIAN'S COMPARABILITY ALLOWANCES AND SPECIAL PAY FOR PSYCHOLOGISTS IN THE PUBLIC HEALTH SERVICE

STEVENS AMENDMENT NO. 685

Mr. CHAFEE (for Mr. STEVENS) proposed an amendment to the bill (S. 1666) to amend title 5, U.S. Code, to provide for the extension of physicians comparability allowances and to amend title 37, U.S. Code, to provide for special pay for psychologists in the commissioned corps of the Public Health Service; as follows:

On page 2, strike out lines 4 through 6, and insert in lieu thereof: Section 5948(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out "$7,000" and inserting in lieu thereof "$14,000";

(2) in paragraph (2) by striking out "$10,000" and inserting in lieu thereof "$20,000"; and

(3) by adding at the end thereof (after and below paragraph (2)) the following:

"For the purpose of determining length of service as a Government physician, service as a physician under section 4104 or 4114 of title 38 or active service as a medical officer in the commissioned corps of the Public Health Service under Title II of the Public Health Service Act (42 U.S.C. ch. 6A) shall be deemed service as a Government physician."

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The field hearing will take place October 12, 1987, from 9 a.m. to 12 noon, and 1:30 p.m. to 4:30 p.m. The hearing will be held in the Carlsbad Civic Center at 4012 National Parks Highway, Carlsbad, NM.

The purpose of the field hearing is to receive testimony on S. 1272, the Waste Isolation Pilot Plant [WIPP] Land Withdrawal Act of 1987.

Those wishing further information about the hearing should contact Julie Thompson or Lynn Ditto in Senator JEFF BINGAMAN'S office in Roswell, NM, at (505) 622-7113 or Beth Norcross of the subcommittee staff in Washington, DC at (202) 224-7933.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a hearing during the session of the Senate on September 16, 1987, at 10 a.m. on the nomination of Robert H. Bork to be Associate Supreme Court Justice.

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

SUBCOMMITTEE ON AGRICULTURAL CREDIT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Credit, of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Wednesday, September 16, 1987, at 10 a.m. and 2 p.m. to mark up farm credit legislation.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BYRD. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on September 16, until 12 noon to mark up clean air legislation.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resoures be authorized to meet during the session of the Senate on Wednesday, September 16, 1987, at 9:30 a.m. to consider the response to the reconciliation instructions under the budget resolution; S. 1145, amendments to the Alaska Native Claims Settlement Act of 1971; S. 1084, and amendent No. 176, United States Uranium Enrichment Act; S. 1100, and amendment No. 177, Uranium Revitalization and Tailings Reclamation Act of 1987; S. 247, to designate the Kern River as a national wild and scenic river; H.R. 799, Kings River in California; S. 253, to convey Forest Serviceland to Flagstaff, AZ; H.R. 1205, to direct the Secretary of Agriculture to release a reversionary interest of the United States in certain land located in Putnam County, FL, and to direct the Secretary of the Interior to convey certain mineral interests of the United States in such land to the State of Florida; H.R. 1744, to amend the National Historic Preservation Act to extend the authorization for the Historical Preservation Fund; H.R. 797 to authorize the donation of certain non-Federal lands to Gettysburg National Military Park and to require a study and report on the final development of the park; H.R. 990, to direct the Secretary of the Interior to convey a certain parcel of land located near Ocotillo, CA; H.R. 242, to provide for the conveyance of certain public lands on Oconto and Marinette Counties, WI; S. 1297, to amend the National Trails System Act to provide for a study of the De Soto Trail; S. 575, Land Conveyance to the Catholic Diocese of Reno/Las Vegas; H.R. 1366, to provide for the transfer of certain lands in the State of Arizona; S. 574, entitled the "Battle Mountain Pasture Restoration Act of 1987; S. 1259, to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas; S. 578, to amend the National Trails System Act to designate the Trail of Tears as a National Historic Trail; S. 1012, to increase the amount authorized to be appropriated for property acquisition, restoration, and development, and for transportation, educational, and cultural programs, relating to the Lowell National Historical Park; to continue the term of member of the Lowell Historical Preservation Commission pending the appointment of a successor; to adjust a quorum of the Commission in the event of a vacancy; and to delay the termination of the Commission.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 16, 1987, at 10:30 a.m. to hold hearings on Ambassadorial nominations.

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

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 16, 1987, at 2 p.m. to hold a hearing on Ambassadorial nomination.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation and the National Ocean Policy Study, be authorized to meet during the session of the Senate on September 16, 1987, at 10 a.m. to hold hearings on S. 849, the Commercial Fishing Industry Vessel Safety and Compensation Act of 1987.

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

ADDITIONAL STATEMENTS

UNITED STATES POLICY TOWARDS THE TWO KOREAS

● Mr. DECONCINI. Mr. President, the U.S. Congress is always in vital need of objective, informative, and advisory research in order to keep appraised of situations both at home and abroad. This information should come from our own governmental services as well as the academic world.

I have been fortunate to receive a report from Prof. Yung-hwan Jo of the Arizona State University Political Science Department. The paper, "U.S. Policy Towards the Two Koreas," is an indepth study covering a broad spectrum of issues pertaining to South Korea, including its recent history, the North Korean threat, and the effect of United States policy toward the region. This is both a timely and provocative paper, especially given the ongoing political unrest and labor disputes.

I am personally very interested in the issues affecting South Korea, and successfully passed a resolution this spring regarding their transition to democracy. With United States political, economic, and military interests involved in this country, I feel that insightful works such as Dr. Yung-hwan Jo's paper are extremely beneficial in reaching a greater understanding of the South Korean society. I hope my colleagues have an opportunity to read this.

Mr. President, I ask that the text of this paper be inserted in the RECORD.

The text follows:

U.S. POLICY TOWARD THE TWO KOREAS

(By Yung-hwan Jo)

Korean Institute for Human Rights has done a lot for the causes of human rights and democracy in Korea. To most of you who have expended your valuable resources for the movement, permit me to take my hat off in deference. I am honored by your invitation to be a part of commemorating the third anniversary of this Institute.

INTRODUCTION

Shortly after students occupied the U.S. Information Service Library in Seoul in May 1985, demanding a U.S. apology for the Kwangju incident and a halt to U.S. support for the Chun regime, the U.S. Embassy staff and student leaders as well as junior professors who were close to the students had a get-together at Onyang Hot Spring Hotel. The U.S. not only denied its involvement in the incident but also pointed to the limits of U.S. ability to shape the South Korean domestic situation. The Korean students countered the U.S. position by arguing that, irrespective of the real American influence on Korea, the U.S. is perceived by most Koreans as dominating and penetrating Korean affairs in a wrong direction and can easily shape the course of Korean politics in the direction of democratization, if willing. As I was told in Korea,[1] both sides assessed the conference differently and there appears to be a cognitive dissonance between the American embassy and the South Korean students. Yet, this could not be a minor irritant in the otherwise solid foundation of the Washington-Seoul alliance.

Radicalization of Korean students has been attributed to several sources: 1) students' acceptance of the "dependency" theory in sequence to earlier exposure to nationalistic values; 2) rising income gap and expectations plus relative deprivation stimulated by rapid economic growth, (in other words, any newly industrializing countries with per capita income of $2,000 or more tends to have a greater level of student activism.);[2] 3) Use of South Korea mainly as a frontline base of U.S. global strategy against the Soviet Union, and a "high-handed" policy of Washington in pressuring Seoul to remove trade barriers; and importantly, 4) the always yielding, accommodating and often knee-jerk responses of the "unpopular" and "illegitimate military" government in Seoul. However misconceived they may be, they were once the perceptions of only a small number of "radical" students. But today these views have become increasingly popular among a large number of students and others in the public. Is Korean student activism beyond control? If the military elite in South Korea can somehow convince the public of their adherence to the principle of civilian su-

Footnotes at end of article.

premacy and their personal disinterest to rule, by some concrete measures comparable to the civilization of the Brazilian military regime, a major root cause of both the increasing student unrest and the newly emerging anti-American sentiment would be eliminated, therein also removing one linkage of alleged North Korean incitement.

As for the U.S.-North Korean relations, there is even a worse perceptual gap. To the U.S. and its allies, the policies and conditions inside North Korea hold the key to the detente and reunification process of Korea. To North Korea, however, the major obstacle to the solution of the Korean problem is held by Washington. Although the basic zero-sum relationship of U.S.-North Korea has not been altered, their respective major allies (Japan and China) have normalized their traditionally hostile relations. In the second half of the post-war era, more favorable changes have taken place than in the first half. A Chinese-U.S. rapprochement as well as North-South Korean talks though often interrupted did take place which no one would have thought possible until the end of the 1960's.

Can the lessons of the recent and on-going Sino-American detente be relevant, if, not transferable, to future U.S.-North Korean relations? Washington's policy toward the two Koreas cannot be analyzed unless we take into account Washington's overall ties with Japan and its increasing ties with China.

The strategic interdependence and economic complimentarity between China and Japan will in turn make it necessary for them to play closer and more cooperative roles in influencing the external relations between the two Koreas. Washington consults both China and Japan on Korean issues, and North Korea is interdependent with China for its defense and with Japan for its economy, while South Korea is interdependent with Japan and the U.S. for its investment and security and with China for its bourgeoning commercial relations.

First, let us turn to the U.S., the main actor and the sources of its Korean policy.

AMERICAN IMAGES OF KOREA AND ITS POLITICAL DYNAMICS

Unlike China or Japan, Korea had no Western reservoir of repute on which to fall back. According to the Potomac Surveys,[3] the American people do not hold South Korea and its people in very high esteem. North Korea is relegated to the status of parish. Major economic achievements of South Korea have been recognized in recent years, but the images of Korea in general are still influenced largely by the "Koreagate," Reverend Moon, political unrest, and human rights violations of the South while to a lesser extent by the behaviors of the North such as narcotic smuggling and the Burma barbarism committed by its agents. While the majority of Americans oppose the idea of defending South Korea should the North decide to attack, many of the leadership figures approve of the security link between Seoul and Washington.

It might be worth noting that the future of America's presidential politics in 1988 is as uncertain as their Korean counter part. A recent study[4] of a leading authority on presidential elections shows that the Republican landslide of 1984 "rested entirely on the votes of the less sophisticated; Mondale actually 'won' the vote in the more sophisticated sector by a narrow 52/48 margin." The conservative wing is firmly in control of the Republican party. Can George Bush, who is less conservative and less charismatic than Reagan, be acceptable to leaders of the dominant wing of the party whose difference from the national population of the Republican party identifiers was a resounding 58%? "If the Democratic left created sufficient ideological space between it and the nations' voters to permit Republican victories, so the Republican move to the right may have opened the way for an immediate resurgence of Democratic strength en route to the White House in 1988."[5]

Although the Reagan policy has been more supportive of Seoul's security needs than Carter, there is no evidence that the educated, if not the majority, American electorate has become more conservative in recent years. As a matter of fact, the above study argues that by 1984 the national electorate had moved slightly to the left of their 1980 positions.

THE U.S. ROLE IN SOUTH KOREA: AN INTERPRETIVE HISTORY

The past U.S. policy toward Korea disappointed Koreans by acquiescing in Japan's colonization, dividing Korea and placing South Korea outside the U.S. defense zone. But Koreans owed their independence from Japan and survival of the South during the Korean war to the U.S. U.S.-South Korean relations, which were dominated in its earlier phase by security concerns has expanded into the development of political, human (immigrants), cultural and especially economic ties.

1. Although the U.S. viewed the deterioration of democracy under the Rhee government with misgivings, it did not attempt to influence the situation until the students took it upon themselves.[6]

2. The U.S. was closely involved in the diplomatic normalization between Korea and Japan in 1965 and the dispatch of ROK troops to Vietnam a few years later.[7]

3. The "Koreagate" (lobbying) scandal of 1978 was related to Korea's primary concern with the U.S. plan of troop withdrawal which was to be completed by Carter in 1981 or 1982, although this idea was conceived by Nixon. The incident caused strain between Seoul and Washington but contributed toward reversing the withdrawal plan. Many in the U.S. and Japanese executives and security communities feel uncertain about Pyongyang's intentions. The South Korean opposition even feared losing the protective U.S. influence on Korea's politics.

4. A case of role change: The role partnership of the South with the U.S. was cemented far more than that of the North with its partners; in fact, "South Koreans were adverse to any kind of change or anything that smacked of change in their relationship with the Americans."[8]

Thus, even when the Nixon Doctrine aroused misgivings on the part of the officials in Seoul, it was probably beyond their imagination that the new Nixon would seek a visit to China, a staunch ally of North Korea. After all, the real breach between Washington and Beijing was caused by the Korean war. Seoul was apprehensive that China might give "false assurances" to the U.S. that would facilitate U.S. military withdrawal from the South earlier than necessary. After all, it was the wish of Seoul that Beijing would accept and that the U.S. would agree to the continued presence of American troops in South Korea for an indefinite period. On the one hand, the necesssity of continued American involvement in South Korea was argued for as a force to keep China, the Soviet Union, and Japan from warring against each other,[9] and on the other hand, it was argued perhaps for the audience of Beijing as a possible check on resurgent Japanese militaries.[10]

In the context of its dual relationship with China and China's most feared foe, the Soviet Union, North Korea can be hypothesized to have developed its role enactment vis-a-vis these two great powers to a fine art. By making each other aware of the expectations imposed upon it by the other, and in a historical/geographical situation which obviously obliges it to avoid antagonizing either, North Korea has been able to assume a degree of autonomy in its international relations which stands out in stark contrast to the condition of the South.[11] As a result of the extremely dependent relationship between Seoul and Washington as well as the rigidity and unidimensionality of the South's past role playing vis-a-vis both the U.S. and the North, South Korea has only since developed a practical repertoire of role change, self-reliance, and detentism.

Probably nowhere will the impact of the Sino-American and the Sino-Japanese détente be more strongly felt than in the two Koreas, where each regime claims its legitimacy in a cold war exclusiveness far more intense than that which separates China from the U.S. and Japan. In the past, great power intervention intensified contention in Korea. None of the four powers would today actively intervene in the "Koreanization" of efforts to manage crisis and/or unify the country.

5. U.S. economic assistance ceased by 1970 and steady and remarkable economic growth during the past two and a half decades has forced Seoul to look far beyond the U.S. and Japan. This not only reduced its economic dependence on the U.S. but also created a source of tension with it. In having become America's seventh largest trade partner, it became one of the largest contributors to the U.S. trade deficit.

6. In spite of its earlier concerns over the realignment (role change) of the U.S. and China, South Korea has become its beneficiary. It has given Seoul an opportunity to seek contacts with China and the U.S.S.R. Seoul's diplomatic success which surpasses Pyongyang's has given it confidence and a sense of independence in its foreign policy so that America may find it difficult to ride roughshod over the growing nationalism there.

7. Up to this moment, May 1986, the U.S. appears to be far more willing to work with the authoritarian South Korean government rather than to jeopardize its authority. Korea's economic and strategic importance are viewed to be too great for Washington to risk its stability for the sake of democraticization.

SECURITY ASPECTS AND THEIR IMPLICATIONS

Security developments on the Korean Peninsula affect the security interests of the Soviet Union, China, and Japan as well as the U.S. As for U.S.-South Korean relations, they have been providing the shield behind which economic development of the South has taken place and the relationship is expected to assist in the achievement of a more democratic political life. After all, national consensus of a sort is the foundation of true security.

Washington's threat perception of Pyongyang is based on the view that the North has "the largest commando force in the world [which is] compounded by factors of time and distance." The security situation is viewed by the U.S. to be potentially unsettling with "one of the most . . . severe imbalances in military power anywhere in the

world."[12] America's security emphasis based on such a perception has undoubtedly served as an effective deterrence against North Korea and has even given South Korea confidence to deal with not only Pyongyang, but also its allies. At the same time, has it not also contributed to the arms buildup in South Korea and recently of the Soviet Union in North Korea and in its vicinity? Can these developments serve the interests of the U.S. in the region?[13]

Korea divided has meant confrontation and an escalation in the arms race. The Korean reunification may not be achieved by peaceful means. The Korean war has shown the absolute impossibility of the reunification of Korea by armed forces. And the advent of Sino-American detente has reduced the possibility of the U.S. or China intervening in another Korean war. These being the case, the rational choice of a logical and calculated mutual interest of both Koreas might suggest the inevitability of an inter-Korean detente and cooperation as is the case of the two Germanys. At a minimum, arms competition of the past must be replaced by peaceful competition.

The key to reducing arms competition and tension lies in a step-by-step building of confidence and reduction of fear and distrust on both sides. Since the past proposals to exchange observers during military exercises (team spirit) and to increase the role of the Neutral Nations Supervisory Committee, etc., has not produced any results, might it not be useful to provide Pyongyang with some basis to remove its deep sense of psychological insecurity by way of GRIT?[14] In the long run, it might also be useful for Washington to urge Seoul and Tokyo to work out their economic and security problems with regard to Pyongyang and also to urge Tokyo and Beijing to work together to limit Soviet expansionism around Korea and the Sea of Japan. It will be more desirable to pursue these multilateral approaches while seeking improvements in U.S.-North Korea relations. It is almost inconceivable that the U.S. could be drawn into talks with North Korea at the South's expense. Seoul should know this.

Some current bilateral security issues include: 1) Seoul's continuance to press for a larger amount of Foreign Military Sales credits at concessory rates (the amount being in the range of $220-$230 million in recent years); 2) the transfer of American military technology which is of a proprietary nature; and 3) sales to third countries of military equipment with a U.S. component.[15] In addition to these smaller technical issues, there is a larger negative aspect of U.S.-South Korea security developments. America's Korean policy is viewed today by the opposition, and many others, in the South to have been influenced more by the Pentagon, especially the military-industrial complex, than by the State Department and the Congress. South Korea's anti-Americanism is therefore attributed to Washington's support and tacit approval of the authoritarian military regimes of Park and Chun, especially to the latter's "alleged" involvement in the Kwangju incident of 1980.[16]

ECONOMIC ASPECTS AND THEIR IMPLICATIONS

South Korea's economic development over the last 30 years has been so rapid that today "two-way U.S.-Korean trade each year ($17 million in 1985) exceeds in value the total of all American economic aid ever provided to Korea." Such a booming economy is a U.S. foreign assistance success story.[17]

However, the current trade imbalance, created by the still small threat posed by South Korean competition, has resulted in U.S.-Korean trade frictions. This threat has the possibility of greatly intensifying in the near future. As a residual product of the Japanese trade threat, South Korea is treated like a new Japan, which exacerbated their anti-American sentiment in recent years.

Intellectually, South Korean anti-Americanism can be traced to the nationalistic emphasis of Korean education in the '80's and '70's as well as the pervasively popularized works of "dependency" theory among students and intellectuals.[18]

Lastly, it may be worth noting that Korean investment in the range of $200 million or more in the U.S. built factories and created jobs for American workers. Some 700,000 hard-working Koreans in America are also contributing toward American economy, however small it may be in terms of the totality of America.

POLITICAL ASPECTS AND THEIR IMPLICATIONS

To Washington, its influence on the Korean political situation, while greater than other powers, is limited, and many Koreans have an exaggerated notion of Washington's ability to influence events in Korea. Thus, on his visit to Seoul, May 8, 1986, U.S. Secretary of State, George Shultz said that while the U.S. is not taking sides in Korea's internal political debates he reaffirmed the U.S. support of the efforts by the Chun government to realize an orderly transition of political power. He urged the government to be basically responsive to the will of people and the opposition not to adopt violent means in the process of democratization.[19] Gaston Sigur, U.S. Assistant Secretary of State told four Korean opposition politicans that security and democratization should be pursued simultaneously in Korea.[20]

Mr. Shultz seemed to go out of his way not to indicate any loosening of Washington's backing for President Chun Doo Hwan. He emphasized ties to the U.S. by stating that the "Seoul government will only move ahead if it feels secure in its military, economic, and political ties to the U.S."[21] In addition, Shultz's praise of Chun's efforts for "smooth" transfer of power, emphasis of security and economic development over democratization goals as well as extraordinary emphasis on the difference between the Philippines and Korea, and his unwillingness to meet with Kim Dae-jung and Kim Young-som, two most-powerful opposition leaders etc. have convinced most observers, to say nothing of the Korean opposition, that he favored a "great political compromise" in favor of the military-backed Democratic Justice Party. Even if he had an intention to be neutral, his visit to Seoul has had a consequence of boosting those in power and alienating the major opposition party, New Korea Democratic Party, and many more. Mr. Secretary might have been misled about the mass and intellectual support the opposition party commands in contrast to the party in power.

In the past six years, student activism has increased dramatically with a dozen separate attacks against the U.S. establishment. These attacks took place in a country where "Yankee Go Home" was never heard before and their purpose was to pressure Washington to seek political liberalization in South Korea.[22] South Korean opposition has asked two things: one is that the U.S. declare its firm support of the cause of Korean democratization and restoration of human rights. The other is that the U.S. commander in Korea, who controls the Korea-U.S. Combined Forces Command, should endeavor to ensure the political neutrality of the Korean Armed Forces. Kim Dae-jung said, "We'll take care of the rest."[23]

Will South Korea become another Vietnam or another Philippines? Although the likelihood of the latter scenario is greater than before, most policy-makers in the U.S. and elites in South Korea might like to promote democratic transition before the country is engulfed by the kind of violence that has over taken the Philippines. The issue is "how" to promote it. The opposition wants to avoid Chumism without Chun which the party in power seems to perfer to preserve. The U.S. role is very delicate, limited or not, Reagan's disassociation from the Kirkpatrick theory[24] in favor of opposition to dictatorships on the right as well as on the left and Shultz's emphasis of democracy over military bases are commendable but appear to be less applicable to South Korea than Haiti and Philippines at last minutes. This shift as expressed in the March 14, 1986 message to the Congress appears to have been aimed at getting Congressional support for "contras."

Koreans are better educated and their economy is far superior to that of the Philippines, but the political atmosphere is more repressive in Seoul than it was in Manila under Marcos. Another Chun after 1988 under the existing seven-year term would mean thirty-five years of military supremacy over the civilians. For these reasons, Korea might have a justification for "enlightened" U.S. intervention better than, if not as much as, the Philippines. American intervention in Manila was judicious and it could be repeated in Korea when the opposition becomes stronger and united. Timing was important in the former and so was the free press.

NORTH KOREA AND INTER-KOREAN RELATIONS

U.S. policy toward the two Koreas was analyzed in terms of its policy toward Seoul, since there has not been much interaction between Washington and Pyongyang except occasionally at the Panmunjom table. Hence the U.S.-North Korea relations can be discussed initially in terms of Washington's relations with Tokyo and Beijing.

Japan is expected to extend opportunities for economic and other interactions to the North. Its role in shaping the future of Korea is larger than that of any other power, and Pyongyang knows Japan better than any other Western Power. Pyongyang's need for Japan's technological know-how and economic cooperation and Seoul's dependence on Japanese investment are increasing Japan's weight in Korean settlement. The U.S. might explore new concepts and opportunities in dealing with the North but not at the expense of Tokyo and Seoul. Japan might initiate a Tokyo-Pyongyang detente and encourage the North-South dialogue short of reunification of the two Koreas.

American leaders have not hesitated to ask the Chinese leaders to intercede with North Korea. The strategic interdependence and economic complimentarity between China and Japan/U.S. will lead China to consult Japan and the U.S. in the settlement of Korean problems. These developments favor China's establishing more ties with the South, though unofficial, and they also facilitate an improvement in inter-Korean relations. Most nations including Moscow would welcome the relaxation of

tensions in the Peninsula and a favorable external environment gives them the freedom to make accommodations to the changing economic environment in East Asia.[25]

Almost all of the policy-makers in Seoul, Tokyo, Washington, Beijing, and even Moscow hope for the gradual erosion of the rigid styles and objectives of the Northern policy. Yet, many of them, especially the U.S. and the South are still opposing the only peaceful means of approaching such an end. The U.S. should take an active role in revising Pyongyang's image and perception of the West which have been distorted by a long period of isolation from the Western world. This can be done by encouraging the North to turn outward and the outside world, especially U.S. allies, to interact with the North. The psychological environment of North Korea might also be improved in the process of its communication with Japan and the U.S., more than through contacts with the South.

Washington's unwillingness to deal with Pyongyang is based on the U.S.-South Korea assumption that the North's policy has not changed, including its willingness to attack the South at a most opportune moment and that Washington-Seoul should therefore continue the "negotiation from strength" policy toward Pyongyang. Are these assumptions still valid? The only time North Korea seriously considered a military risk was probably during the American preoccupation with the Vietnam War, not afterward. With a GNP today almost five times that of the North, a trade volume 17 times greater and military balance between the two Koreans approaching an adequate level especially with hundreds of strategic nuclear warheads, Pyongyang may not be "willing or capable" of launching an attack against the South unless there is a political turmoil of unmanageable proportion. Therefore can it not be argued that a danger that a real war would pose to the North (in view of a probable nuclear response) and its weakened competitive position compared to the South, could account for the North's substitute war and the Burma tragedy? Besides, in recent years, Pyongyang policies toward Seoul and Washington have become less rigid than Washington policy toward Pyongyang. For example, North Korea no longer insists on solving the Korean issue by the Koreans themselves. Nor does it insist on dealing directly with Washington thereby bypassing Seoul. It is now promoting the Tripartite talks which was initiated by the Carter administration; it also asks for a joint declaration of non-aggression which was originally initiated by the Park Chung Hee administration. Are not these changed overtures worth some probing?

CONCLUSION

As long as the North-South dialogue is being resumed, a precondition to any Washington-Pyongyang dialogue, there is an excellent chance for the U.S. to accede to the proposed three-way talks as a byproduct of the current Panmunjom dialogue. Would not the talks provide the U.S. an opportunity 1) to show the North Koreans about the Washington-Seoul consensus on U.S. presence; 2) to begin the slow process of making Pyongyang's system more open on the model of China; and 3) to induce China and the Soviet Union into contact with South Korea thereby leading to a de-facto cross-recognition as in the case of more than fifty nations having diplomatic relations with both Koreas?

Had there been no war experience of 1950-53 or were there a reduction of half of the mutual suspicion, we could have by now a Korean version of the Camp David Accord reached in 1978 at a tripartite conference consisting of Israel, Egypt, and the U.S. What concrete steps can we take to eradicate or at least to reduce the roots of suspicion, fear, and tension across the 38th parallel?

We must propose various confidence-building measures, otherwise both Koreas could fight like two scorpions within a bottle, locked in a vicious embrace. As psychologists Charles Osgood and Roger Fisher suggested years ago, we could experiment with: 1) "GRIT," a graduate plan calling for reciprocation in tension reduction; 2) incremental maximization of concessions with a veto power; and 3) a series of actions to be taken without incurring risk to security.[26] The Austrian Peace Treaty of 1956 was a surprise and so was the Four-Power Agreement of 1971 on access to Berlin. We should ask ourselves how and why these surprises came about and what can be learned from these events that applies to the Korean Peninsula, although obstacles to the latter case might be more severe than the former. It is important to understand that surprises always occur and that we should be imaginative while realistic.[27]

Today and hereafter, the United States faces new challenges vis-a-vis Korea including problems born of economic failure in the North and success in the South. Both Koreas are going through a precarious phase of political succession. Washington may have to leave old policies behind in order not only to accommodate these changes but also to take an initiative in Korean settlement.

Lastly, it may be worth noting for those of you who have been involved in the movement of democraticization along with Kim Dae-jung that:

1. You should be prepared for all kinds of worst case scenarios in South Korea, including: (a) a radicalized popular uprising calling for a direct involvement of Kim Dae-jung; (b) any drastic action that might be taken by the military, a coup or an attempt against his life etc. and (c) a public demand initiated by Cardinal Kim Soo-Hwan and the church leadership, if not the NKDP, that Kim Dae-jung should not seek a candidacy for the highest office.

2. A strategic importance of Korea has been elevated from a local to global level in the policy-making community of the U.S. Government. But there has not been a corresponding increase on the part of public for U.S. military commitment to South Korea. (In fact public opposition to U.S. military involvement has been two to one in case of a war in Korea.) Hence the Congressional support could fluctuate. Hence the over-all U.S. commitment to the defense of South Korea might be about half of the U.S. commitment to any major European or Japanese allies. That being the case, the current or next administration of Washington might make a short-sighted cost-benefit analysis regarding Korea. Any surprising variable could intervene in the on-going negotiation for the so-called "Great Political Compromise."

3. The political change in the Philippines has inspired the Korean opposition but Washington is not likely to have Seoul repeat the drama of Manila. Hence the pressures for reforms and compromises. Washington seems to know the Democratic Justice Party is powerful but not popular while the New Korean Democratic Party is popular but not powerful. Only if the army and the student refrain from meddling in the process of negotiation between the two, can the opposition remain solidly united and widely supported, thereby contributing toward having Washington tilt from a pro-DJP side to a neutral if not a pro-NKDP side. Students radicalization should not be allowed to become an excuse for the military to intervene.

FOOTNOTES

[1] In December, 1985, I had a chance to talk to participants of both sides.

[2] See "Analysis of Student Activism," *The Korean Herald*, November 27, 1985 for 1) and consult the "J" curve theory and the works of Douglas Price and Samuel Huntington for 2).

[3] See William Watt, *The United States and Asia: Changing Attitudes and Policies*, Lexington, Massachusetts: Lexington Books, pp. 80-82, (1982); and also Yung-hwan Jo (ed.) *U.S.Foreign Policy in Asia: An Appraisal* (Santa Barbara, CA: ABC-Clio Press, 1978).

[4] Warren E. Miller, "A New Context for Presidential Politics in the U.S.: The Reagan Legacy," a paper proposed for meeting both at Academia Sinica, Taipei and Stanford University, May and June, 1986.

[5] *Loc. cit.*

[6] Yongsoon Yim (ed.) *Handbook on Korea-U.S. Relations*, (New York: The Asia Society, 1985), p. 7.

[7] *Ibid.* and see Yung-hwan Jo, "Japanese and Korean Relations and Asian Diplomacy," *ORBIS*, Summer, 1967, pp. 582-589.

[8] U.S. Congress, House of Representatives, Committee on Foreign Affairs, *American-Korean Relations: Hearings before the Subcommittee*, 92nd Congress, 1st Session, (Washington, DC.: GPO, 1971), p. 6.

[9] Pyong-choon Huhn, "Korea and the Emerging Asian Power Balance," *Foreign Affairs*, (January 1972), pp. 339-350.

[10] *The New York Times*, September 2, 1971.

[11] See K.J. Holsti, "National Role Conceptions in the Study of Foreign Policy," and Carl W. Backman, "Role Theory and International Relations: A Commentary and Extension," *International Studies Quarterly*, Vol. 14, No. 3 (September 1, 1970), pp. 233-309, 310-319 for discussion of changing the level of analysis from individual to nation. A nation's role is seen in this paper as providing a setting for decision-making, and so establishing the parameters for acceptable policy.

[12] Paul D. Wolfowitzu, "Recent Security Developments in Korea," State Department Current Policy #731, August 12, 1985.

[13] Eugene Kim's paper at the Indian Lakes Resort Conference on Peace, Security and Unification of Korea, October 1985, pp 13-14.

[14] Charles Osgood, *An Alternative to War or Surrender*, (Urbana, Illinois: University of Illinois Press, 1962); Walter Isard, "The Veto Incremax Procedure," *Vietnam*, ed. by W. Isard (Cambridge, Massachusetts: Schemenkan, 1969).

[15] State Department Briefing Paper, "Korea: U.S.-ROK Security Relationship, December 17, 1985.

[16] This view is based on my several contacts with ruling elites of the opposition.

[17] Department of State Briefing Paper "Korea's Economic Performance," December 17, 1985, and The Heritage Foundation Asian Studies Center Background #16, "How a Booming South Korea Exports Jobs to the U.S." October 15, 1984.

[18] State Department Briefing Paper, "Korea: U.S.-ROK Security Relationship," December 17, 1985.

[19] *The Korean Republic*, May 9, 1986; *The New York Times*, May 8, 1986.

[20] *Ibid*, May 10, 1986.

[21] *The New York Times*, May 8, 1986.

[22] For *Eastern Economic Review*, December 26, 1985.

[23] *The Washington Post*, May 5, 1986.

[24] For Jeane Kirkpatrick's preference of right-wing dictators over left-wing, see her article "Human Rights and American Foreign Policy" in *Commentary*, November 1981.

[25] Nathaniel B. Thayer, "The U.S., Japan, and the East Asian Order," a paper presented at *The International Symposium on the Reunification of Korea and Peace in Asia*, Yokohama, July 1985.

[26] Charles Osgood, *An Alternative to War or Surrender*, (Urbana, Illinois: University of Illinois

Press, 1962); Walter Isard, "The Veto Incremax Procedure," *Vietnam*, ed. by W. Isard (Cambridge, Massachusetts: Schemenkan, 1969).

[27] See Hudson Institute Workship on *Future Prospects for the Korean Peninsula in a World Context*, (RI-3541/2-RR, November, 1982).

THE PASSING OF FLOYD LEE

● Mr. DOMENICI. Mr. President, I rise today to express my sorrow upon the death of a legendary man of New Mexico.

Floyd Lee died on August 21, 1987, at the age of 91. A man of selfless activities and aspirations, Floyd Lee's life resembled that of a Western Horatio Alger hero.

A World War I veteran, Floyd Lee decided to return to college. In order to defray tuition costs, he became a cowboy, and was soon promoted to the position of ranch manager. Twenty years later, Floyd Lee purchased that ranch.

He combined the tradition of the family farmer with the vision and foresight of an inventor. His innovative experiments produced such things as a new strain of sheep and a machine designed to measure the density and quality of wool.

And for his pioneering work, he was awarded many honors. Among them, he was named "Agriculturist of Distinction" by New Mexico State University in 1962, "Cattleman of the Year" by the New Mexico Cattlegrowers Association in 1965, "Farmer of the Year" by the Valencia County Farm and Livestock Bureau in 1967, and "Man of Year" by the Record Stockman in 1968.

Floyd Lee's pioneering spirit extended to politics. A 12-year State senator, Mr. Lee focused much of his interest on issues such as range management, State growth, economic progress, and educational quality. He bypassed the opportunity to run for Governor, stating that a gubernatorial campaign would drain too much of his time from family fellowship.

He added much to New Mexico through his service on the board of the Bataan Memorial Methodist Hospital, the Albuquerque Production Credit Association, and advisory boards of the Bureau of Land Management. He served as chairman of the New Mexico Wool Growers' Association.

The range of Floyd Lee's achievements reflects the complexity of his amiable character. In addition to his ranching innovations and political accomplishments, Mr. Lee had another lasting influence on our State. He captured the wolf that is the mascot of the University of New Mexico's Lobos.

In remembrance of his dedication to attaining the highest quality education in New Mexico, Mr. Lee's family has established the Floyd Lee Memorial Scholarship at both the University of New Mexico and New Mexico State University.

Floyd Lee was a pioneer. His occupational innovations, his diverse interests, his principled political involvement, and his perpetual altruism assure that Floyd Lee will hold a place among America's western legends.

Mr. President, I know that my colleagues join me in sending our most sincere condolences to Mr. Lee's daughter, Harriet Lee, to his sister. Margaret McCarthur, and to his surviving grandchildren.

New Mexico and America will miss Floyd Lee.●

THE P&L RAILROAD

● Mr. McCONNELL. Mr. President, a year ago two Kentucky businessmen, Jim Smith and David Reed, purchased trackage to be abandoned by ICG Railroad between Paducah and Louisville, KY. Since start up of the new company, the P&L Railroad has increased rail employment from 270 to 315 jobs and shop employment from 35 to 150 jobs. The company made a profit in the first month of operations and recorded revenues exceeding $45 million in the first year. The P&L's rates have helped to make area shippers more competitive thus contributing to the economy of western Kentucky.

I mention these facts, Mr. President, because it shows what can be achieved with vision, planning, and a large degree of risk. That risk was great but it has paid off in dividends for area shippers and workers. One of the owners is now contemplating an even larger undertaking; one that boggles the imagination by its scope—a $1 billion private development in Livingston County, KY—$1 billion.

The extraordinary nature of this project is best understood by its individual components:

First. A 100-acre lake and island to be completed within 30 days. The 3-acre island will be the site of a 150 to 200 room vacation lodge accessible only by boat.

Second. A 300- to 400-room hotel located on the Ohio River with convention and entertainment facilities.

Third. A 6,500-foot airport runway which is currently under construction.

Fourth. A 10-story office complex with 100,000 square feet per floor.

Fifth. A housing project of 2,000 homes.

Sixth. A theme park rivaling the scale of Opryland.

Seventh. An 18-hole golf course and hunting preserve.

Eighth. Several thousand acres of site development for heavy industrial, light industrial, warehouses and distribution centers.

In addition, to these ambitious projects, Jim Smith and his partner in the P&L Railroad, David Reed, will donate a $3.5 million office complex for the city and county and renovate the Livingston County courthouse. Plans also include rebuilding and repairing Smithland's baseball park at a cost of $150,000.

These plans are all extraordinary. But what is equally incredible is that not $1 of State or Federal money will be used. That, Mr. President, is a feat in and of itself.

Jim Smith is creating opportunities for his western Kentucky "family." He has recognized the key elements for economic development in his own backyard, a strong work force and central location, and is providing the investment to capitalize on the inherent positive attributes of the area. I applaud his vision; may his actions inspire others to risk for a better future.●

INFORMED CONSENT: LOUISIANA

● Mr. HUMPHREY. Mr. President, today I would like to insert into the RECORD a letter in support of my informed consent legislation, S. 272 and S. 273. I urge my colleagues to support my informed consent bill so that future women will not be subjected to needless pain and suffering because of a lack of information.

I ask that the letter from the State of Louisiana be printed in the RECORD.

The letter follows:

JUNE 5, 1987.

DEAR SENATOR HUMPHREY: As a young person I chose abortion as a "solution" to a problem with no alternatives. Although I thought it was a solution I was not prepared for the actual "after" problems. No one offered a true description of fact or the long term emotional trauma or any alternatives. The Bible says, "My people perish for lack of knowledge"

Lets inform women before the fact and offer alternatives.

Respectfully,

SHARON LOGAN.

LOUISIANA.●

GLOBAL ECONOMIC REALITIES

● Mr. BOSCHWITZ. I recently reread an article by Peter Drucker, Clarke professor of social science and management at the Claremont Graduate School, CA regarding the changed world economy.

Dr. Drucker pulls together in this article from the spring 1986 issue of Foreign Affairs evidence that we are part of a global village where the actions of other nations affects our everyday living. He traces the decline of manufacturing jobs with the rise in information oriented jobs and predicts that in 25 years industrial nations like the United States and Japan will have no more of their population in manufacturing than we do in agriculture. In this light, the need for knowledge becomes paramount if America is to retain a competitive advantage.

I found the arguments and themes particularly revealing and ironically similar to the relation that farmers and agricultural leaders have had to come to terms with the past decade. Dr. D. Gale Johnson published a now famous book in the early 1970's entitled "World Agriculture in Disarray." Both Johnson and Drucker describe how the United States can no longer control our destiny by trying to fool global economic realities. The realities of our world are that each nation is to a greater or lesser degree dependent on other nations for their wellbeing. This is painfully clear for American farmers and increasingly clear for everyone else in our society.

I recommend this article to all persons intersted in the future of our country and, indeed, the future of our world and I ask it be printed in the RECORD.

The article follows:

THE CHANGED WORLD ECONOMY

(By Peter F. Drucker)

The talk today is of the "changing world economy." I wish to argue that the world economy is not "changing"; it has already changed—in its foundations and in its structure—and in all probability the change is irreversible.

Within the last decade or so, three fundamental changes have occurred in the very fabric of the world economy:

The primary-products economy has come "uncoupled" from the industrial economy.

In the industrial economy itself, production has come "uncoupled" from employment.

Capital movements rather than trade (in both goods and services) have become the driving force of the world economy. The two have not quite come uncoupled, but the link has become loose, and worse, unpredictable.

These changes are permanent rather than cyclical. We may never understand what caused them—the causes of economic change are rarely simple. It may be a long time before economic theorists accept that there have been fundamental changes, and longer still before they adapt their theories to account for them. Above all, they will surely be most reluctant to accept that it is the world economy in control, rather than the macroeconomics of the nation-state on which most economic theory still exclusively focuses. Yet this is the clear lesson of the success stories of the last 20 years—of Japan and South Korea; of West Germany (actually a more impressive though far less flamboyant example than Japan); and of the one great success within the United States, the turnaround and rapid rise of an industrial New England, which only 20 years ago was widely considered moribund.

Practitioners, whether in government or in business, cannot wait until there is a new theory. They have to act. And their actions will be more likely to succeed the more they are based on the new realities of a changed world economy.

First, consider the primary-products economy. The collapse of non-oil commodity prices began in 1977 and has continued, interrupted only once (right after the 1979 petroleum panic), by a speculative burst that lasted less than six months; it was followed by the fastest drop in commodity prices ever registered. By early 1986 raw material prices were at their lowest levels in recorded history in relation to the prices of manufactured goods and services—in general as low as at the depths of the Great Depression, and in some cases (e.g., lead and copper) lower than their 1932 levels.[1]

This collapse of prices and the slowdown of demand stand in startling contrast to what had been confidently predicted. Ten years ago the Club of Rome declared that desperate shortages for all raw materials were an absolute certainty by the year 1985. In 1980 the Carter Administration's Global 2000 Report to the President: Entering the Twenty-First Century concluded that world demand for food would increase steadily for at least 20 years; that worldwide food production would fall except in developed countries; and that real food prices would double. This forecast helps to explain why American farmers bought up all available farmland, thus loading on themselves the debt burden that now so threatens them.

Contrary to all these expectations, global agricultural output actually rose almost one-third between 1972 and 1985 to reach an all-time high. It rose the fastest in less-developed countries. Similarly, production of practically all forest products, metals and minerals has gone up between 20 and 35 percent in the last ten years—again with the greatest increases in less-developed countries. There is not the slightest reason to believe that the growth rates will slacken, despite the collapse of commodity prices. Indeed, as far as farm products are concerned, the biggest increase—at an almost exponential rate of growth—may still be ahead.[2]

Perhaps even more amazing than the contrast between such predictions and what has happened is that the collapse in the raw materials economy seems to have had almost no impact on the world industrial economy. If there was one thing considered "proven" beyond doubt in business cycle theory, it is that a sharp and prolonged drop in raw material prices inevitably, and within 18 to 30 months, brings on a worldwide depression in the industrial economy.[3] While the industrial economy of the world today is not "normal" by any definition of the term, it is surely not in a depression. Indeed, industrial production in the developed non-communist countries has continued to grow steadily, albeit at a somewhat slower rate in Western Europe.

Of course, a depression in the industrial economy may only have been postponed and may still be triggered by a banking crisis caused by massive defaults on the part of commodity-producing debtors, whether in the Third World or in Iowa. But for almost ten years the industrial world has run along as though there were no raw material crisis at all. The only explanation is that for the developed countries—excepting only the Soviet Union—the primary-products sector has become marginal where before it had always been central.

In the late 1920s, before the Great Depression, farmers still constituted nearly one-third of the U.S. population and farm income accounted for almost a quarter of the gross national product. Today they account for less than five percent of population and even less of GNP. Even adding the contribution that foreign raw material and farm producers make to the American economy through their purchases of American industrial goods, the total contribution of the raw material and food producing economies of the world to the American GNP is, at most, one-eighth. In most other developed countries, the share of the raw materials sector is even lower. Only in the Soviet Union is the farm still a major employer, with almost a quarter of the labor force working on the land.

The raw material economy has thus come uncoupled from the industrial economy. This is a major structural change in the world economy, with tremendous implications for economic and social policy as well as economic theory, in developed and developing countries alike.

For example, if the ratio between the prices of manufactured goods and the prices of non-oil primary products (that is, foods, forest products, metals and minerals) had been the same in 1985 as it had been in 1973, the 1985 U.S. trade deficit might have been a full one-third less—$100 billion as against an actual $150 billion. Even the U.S. trade deficit with Japan might have been almost one-third lower, some $35 billion as against $50 billion. American farm exports would have bought almost twice as much. And industrial exports to a major U.S. customer, Latin America, would have held; their near-collapse alone accounts for a full one-sixth of the deterioration in U.S. foreign trade over the past five years. If primary-product prices had not collapsed, America's balance of payments might even have shown a substantial surplus.

Conversely, Japan's trade surplus with the world might have been a full 20 percent lower. And Brazil in the last few years would have had an export surplus almost 50 percent higher than its current level. Brazil would then have had little difficulty meeting the interest on its foreign debt and would not have had to endanger its economic growth by drastically curtailing imports as it did. Altogether, if raw material prices in relationship to manufactured goods prices had remained at the 1973 or even the 1979 level, there would be no crisis for most debtor countries, especially in Latin America.[4]

III

What accounts for this change?

Demand for food has actually grown almost as fast as the Club of Rome and the Global 2000 Report anticipated. But the supply has grown much faster; it not only has kept pace with population growth, it has steadily outrun it. One cause of this, paradoxically, is surely the fear of worldwide food shortages, if not world famine, which resulted in tremendous efforts to increase food output. The United States led the parade with a farm policy of subsidizing increased food production. The European Economic Community followed suit, and even more successfully. The greatest increases, both in absolute and in relative terms, however, have been in developing countries: in India, in post-Mao China and in the rice-growing countries of Southeast Asia.

And there is also the tremendous cut in waste. In the 1950s, up to 80 percent of the grain harvest of India fed rats and insects rather than human beings. Today in most parts of India the wastage is down to 20 percent. This is largely the result of unspectacular but effective "infrastructure innovations" such as small concrete storage bins, insecticides and three-wheeled motorized carts that take the harvest straight to a processing plant instead of letting it sit in the open for weeks.

It is not fanciful to expect that the true "revolution" on the farm is still ahead. Vast

Footnotes at end of article.

tracts of land that hitherto were practically barren are being made fertile, either through new methods of cultivation or through adding trace minerals to the soil. The sour clays of the Brazilian highlands or the aluminum-contaminated soils of neighboring Peru, for example, which never produced anything before, now produce substantial quantities of high-quality rice. Even greater advances have been registered in biotechnology, both in preventing diseases of plants and animals and in increasing yields.

In other words, just as the population growth of the world is slowing down quite dramatically in many regions, food production is likely to increase sharply.

Import markets for food have all but disappeared. As a result of its agricultural drive, Western Europe has become a substantial food exporter plagued increasingly by unsalable surpluses of all kinds of foods, from dairy products to wine, from wheat to beef. China, some observers predict, will have become a food exporter by the year 2000. India is about at that stage, especially with wheat and coarse grains. Of all major non-communist countries only Japan is still a substantial food importer, buying abroad about one-third of its food needs. Today most of this comes from the United States. Within five or ten years, however, South Korea, Thailand and Indonesia—low-cost producers that are fast increasing food output—are likely to try to become Japan's major suppliers.

The only remaining major food buyer on the world market may then be the Soviet Union—and its food needs are likely to grow.[5] However, the food surpluses in the world are so large—maybe five to eight times what the Soviet Union would ever need to buy—that its food needs are not by themselves enough to put upward pressure on world prices. On the contrary, the competition for access to the Soviet market among the surplus producers—the United States, Europe, Argentina, Australia, New Zealand (and probably India within a few years)—is already so intense as to depress world food prices.

For practically all non-farm commodities, whether forest products, minerals or metals, world demand is shrinking—in sharp contrast to what the Club of Rome so confidently predicted. Indeed, the amount of raw material needed for a given unit of economic output has been dropping for the entire century, except in wartime. A recent study by the International Monetary Fund calculates the decline as one and one-quarter percent a year (compounded) since 1900.[6] This would mean that the amount of industrial raw materials needed for one unit of industrial production is now no more than two-fifths of what it was in 1900. And the decline is accelerating. The Japanese experience is particularly striking. In 1984, for every unit of industrial production, Japan consumed only 60 percent of the raw materials consumed for the same volume of industrial production in 1973, 11 years earlier.

Why this decline in demand? It is not that industrial production is fading in importance as the service sector grows—a common myth for which there is not the slightest evidence. What is happening is much more significant. Industrial production is steadily switching away from heavily material-intensive products and processes. One of the reasons for this is the new high-technology industries. The raw materials in a semi-conductor microchip account for one to three percent of total production cost; in an automobile their share is 40 percent, and in pots and pans 60 percent. But also in older industries the same scaling down of raw material needs goes on, and with respect to old products as well as new ones. Fifty to 100 pounds of fiberglass cable transmit as many telephone messages as does one ton of copper wire.

This steady drop in the raw material intensity of manufacturing processes and manufacturing products extends to energy as well, and especially to petroleum. To produce 100 pounds of fiberglass cable requires no more than five percent of the energy needed to produce one ton of copper wire. Similarly, plastics, which are increasingly replacing steel in automobile bodies, represent a raw material cost, including energy, of less than half that of steel.

Thus it is quite unlikely that raw material prices will ever rise substantially as compared to the prices of manufactured goods (or high-knowledge services such as information, education or health care) except in the event of a major prolonged war.

One implication of this sharp shift in the terms of trade of primary products concerns the developed countries, both major raw material exporters like the United States and major raw material importing countries such as Japan. For two centuries the United States has made maintenance of open markets for its farm products and raw materials central to its international trade policy. This is what it has always meant by an "open world economy" and by "free trade."

Does this still make sense, or does the United States instead have to accept that foreign markets for its foodstuffs and raw materials are in a long-term and irreversible decline? Conversely, does it still make sense for Japan to base its international economic policy on the need to earn enough foreign exchange to pay for imports of raw materials and foodstuffs? Since Japan opened to the outside world 120 years ago, preoccupation—amounting almost to a national obsession—with its dependence on raw material and food imports has been the driving force of Japan's policy, and not in economics alone. Now Japan might well start out with the assumption—a far more realistic one in today's world—that foodstuffs and raw materials are in permanent oversupply.

Taken to their logical conclusion, these developments might mean that some variant of the traditional Japanese policy—highly mercantilist with a strong de-emphasis of domestic consumption in favor of an equally strong emphasis on capital formation, and protection of infant industries—might suit the United States better than its own tradition. The Japanese might be better served by some variant of America's traditional policies, especially a shifting from favoring savings and capital formation to favoring consumption. Is such a radical break with more than a century of political convictions and commitments likely? From now on the fundamentals of economic policy are certain to come under increasing criticism in these two countries-and in all other developed countries as well.

These fundamentals will, moreover, come under the increasingly intense scrutiny of major Third World nations. for if primary products are becoming of marginal importance to the economies of the developed world, traditional development theories and policies are losing their foundations.[7] They are based on the assumption—historically a perfectly valid one—that developing countries pay for imports of capital goods by exporting primary materials—farm and forest products, minerals, metals. All development theories, however much they differ otherwise, further assume that raw material purchases by the industrially developed countries must rise at least as fast as industrial production in these countries. This in turn implies that, over any extended period of time, any raw material producer becomes a better credit risk and shows a more favorable balance of trade. These promises have become highly doubtful. On what foundation, then, can economic development be based, especially in countries that do not have a large enough population to develop an industrial economy based on the home market? As we shall presently see, these countries can no longer base their economic development on low labor costs.

IV

The second major change in the world economy is the uncoupling of manufacturing production from manufacturing employment. Increased manufacturing production in development countries has actually come to mean decreasing blue-collar employment. As a consequence, labor costs are becoming less and less important as a "comparative cost" and as a factor in competition.

There is a great deal of talk these days about the "deindustrialization" of America. In fact, manufacturing production has risen steadily in absolute volume and has remained unchanged as a percentage of the total economy. Since the end of the Korean War, that is, for more than 30 years, it has held steady at 23-24 percent of America's total GNP. It has similarly remained at its traditional level in all of the other major industrial countries.

It is not even true that American industry is doing poorly as an exporter. To be sure, the United States is importing from both Japan and Germany many more manufactured goods than ever before. But is also exporting more, despite the heavy disadvantage of an expensive dollar, increasing labor costs and the near-collapse of a major industrial market, Latin America. In 1984—the year the dollar soared—exports of American manufactured goods rose by 8.3 percent; and they went up again in 1985. The share of U.S.-manufactured exports in world exports was 17 percent in 1978. By 1985 it had risen to 20 percent—while West Germany accounted for 18 percent and Japan 16. The three countries together thus account for more than half of the total.

Thus it is not the American economy that is being "deindustrialized." It is the American labor force.

Between 1973 and 1985, manufacturing production (measured in constant dollars) in the United States rose by almost 40 percent. Yet manufacturing employment during that period went down steadily. There are now five million fewer people employed in blue-collar work in American manufacturing industry than there were in 1975.

Yet in the last 12 years total employment in the United States grew faster than at any time in the peacetime history of any country—from 82 to 110 million between 1973 and 1985—that is by a full one third. The entire growth, however, was in non-manufacturing, and especially in non-blue-collar jobs.

The trend itself is not new. In the 1920s one out of every three Americans in the labor force was a blue-collar worker in manufacturing. In the 1950s the figure was one in four. It now is down to one in every six—and dropping. While the trend has been running for a long time, it has lately accel-

erated to the point where—in peacetime at least—no increase in manufacturing production, no matter how large, is likely to reverse the long-term decline in the number of blue-collar jobs in manufacturing or in their proportion of the labor force.

This trend is the same in all developed countries, and is, indeed, even more pronounced in Japan. It is therefore highly probable that in 25 years developed countries such as the United States and Japan will employ no larger a proportion of the labor force in manufacturing than developed countries now employ in farming—at most, ten percent. Today the United States employs around 18 million people in blue-collar jobs in manufacturing industries. By 2010, the number is likely to be no more than 12 million. In some major industries the drop will be even sharper. It is quite unrealistic, for instance, to expect that the American automobile industry will employ more than one-third of its present blue-collar force 25 years hence, even though production might be 50 percent higher.

If a company, an industry or a country does not in the next quarter century sharply increase manufacturing production and at the same time sharply reduce the blue-collar work force, it cannot hope to remain competitive—or even to remain "developed." It would decline fairly fast. Britain has been in industrial decline for the last 25 years, largely because the number of blue-collar workers per unit of manufacturing production went down far more slowly than in all other noncommunist developed countries. Even so, Britain has the highest unemployment rate among non-communist developed countries—more than 13 percent.

V

The British example indicates a new and critical economic equation: a country, an industry or a company that puts the preservation of blue-collar manufacturing jobs ahead of international competitiveness (which implies a steady shrinkage of such jobs) will soon have neither production nor jobs. The attempt to preserve such blue-collar jobs is actually a prescription for unemployment.

So far, this concept has achieved broad national acceptance only in Japan.[8] Indeed, Japanese planners, whether in government or private business, start out with the assumption of a doubling of production within 15 or 20 years based on a cut in blue-collar employment of 25 to 40 percent. A good many large American companies such as IBM, General Electric and the big automobile companies have similar forecasts. Implicit in this is the conclusion that a country will have less overall unemployment the faster it shrinks blue-collar employment in manufacturing.

This is not a conclusion that American politicians, labor leaders or indeed the general public can easily understand or accept. What confuses the issue even more is that the United States is experiencing several separate and different shifts in the manufacturing economy. One is the acceleration of the substitution of knowledge and capital for manual labor. Where we spoke of mechanization a few decades ago, we now speak of "robotization" or "automation." This is actually more a change in terminology than a change in reality. When Henry Ford introduced the assembly line in 1909, he cut the number of man-hours required to produce a motor car by some 80 percent in two or three years—far more than anyone expects to result from even the most complete robotization. But there is no doubt that we are facing a new, sharp acceleration in the replacement of manual workers by machines—that is, by the products of knowledge.

A second development—and in the long run this may be even more important—is the shift from industries that were primarily labor-intensive to industries that, from the beginning, are knowledge-intensive. The manufacturing costs of the semiconductor microchip are about 70 percent knowledge—that is, research, development and testing—and no more than 12 percent labor. Similarly with prescription drugs, labor represents no more than 15 percent, with knowledge representing almost 50 percent. By contrast, in the most fully robotized automobile plant labor would still account for 20 or 25 percent of the costs.

Another perplexing development in manufacturing is the reversal of the dynamics of size. Since the early years of this century, the trend in all developed countries has been toward even larger manufacturing plants. The economies of scale greatly favored them. Perhaps equally important, what one might call the "economies of management" favored them. Until recently, modern management techniques seemed applicable only to fairly large units.

This has been reversed with a vengeance over the last 15 to 20 years. The entire shrinkage in manufacturing jobs in the United States has occured in large companies, beginning with the giants in steel and automobiles. Small and especially medium-sized manufacturers have either held their own or actually added employees. In respect to market standing, exports and profitability too, smaller and middle-sized businesses have done remarkably better than big ones. The reversal of the dynamics of size is occurring in the other developed countries as well, even in Japan where bigger was always better and biggest meant best. The trend has reversed itself even in old industries. The most profitable automobile company these last years has not been one of the giants, but a medium-sized manufacturer in Germany—BMW. The only profitable steel companies, whether in the United States, Sweden or Japan, have been medium-sized makers of specialty products such as oil drilling pipe.

In part, especially in the United States, this is a result of a resurgence of entrepreneurship.[9] But perhaps equally important, we have learned in the last 30 years how to manage the small and medium-sized enterprise to the point where the advantages of smaller size, e.g., ease of communications and nearness to market and customer, increasingly outweigh what had been forbidding management limitations. Thus in the United States, but increasingly in the other leading manufacturing nations such as Japan and West Germany as well, the dynamism in the economy has shifted from the very big companies that dominated the world's industrial economy for 30 years after World War II to companies that, while much smaller, are professionally managed and largely publicly financed.

VI

Two distinct kinds of "manufacturing industry" are emerging. One is material-based, represented by the industries that provided economic growth in the first three-quarters of this century. The other is information- and knowledge-based: pharmaceuticals, telecommunications, analytical instruments and information processing such as computers. It is largely the information-based manufacturing industries that are growing.

These two groups differ not only in their economic characteristics but especially in their position in the international economy. The products of material-based industries have to be exported or imported as "products." They appear in the balance of trade. The products of information-based industries can be exported or imported both as "products" and as "services," which may not appear accurately in the overall trade balance.

An old example is the printed book. For one major scientific publishing company, "foreign earnings" account for two-thirds of total revenues. Yet the company exports few, if any, actual books—books are heavy. It sells "rights," and the "product" is produced abroad. Similarly, the most profitable computer "export sales" may actually show up in trade statistics as an "import." This is the fee some of the world's leading banks, multinationals and Japanese trading companies get for processing in their home office data arriving electronically from their branches and customers around the world.

In all developed countries, "knowledge" workers have already become the center of gravity of the labor force. Even in manufacturing they will outnumber blue-collar workers within ten years. Exporting knowledge so that it produces license income, service fees and royalties may actually create substantially more jobs than exporting goods.

This in turn requires—as official Washington seems to have realized—far greater emphasis in trade policy on "invisible trade" and on abolishing the barriers to the trade in services. Traditionally, economists have treated invisible trade as a stepchild, if they noted it at all. Increasingly, it will become central. Within 20 years major developed countries may find that their income from invisible trade is larger than their income for exports.

Another implication of the "uncoupling" of manufacturing production from manufacturing employment is, however, that the choice between an industrial policy that favors industrial production and one that favors industrial employment is going to be a singularly contentious political issue for the rest of this century. Historically these have always been considered two sides of the same coin. From now on the two will increasingly pull in different directions; they are indeed already becoming alternatives, if not incompatible.

Benign neglect—the policy of the Reagan Administration these last few years—may be the best policy one can hope for and the only one with a chance of success. It is probably not an accident that the United States has, after Japan, by far the lowest unemployment rate of any industrially developed country. Still, there is surely need also for systematic efforts to retrain and to place redundant blue-collar workers—something no one as yet knows how to do successfully.

Finally, low labor costs are likely to become less of an advantage in international trade simply because in the developed countries they are going to account for less of total costs. Moreover, the total costs of automated processes are lower than even those of traditional plants with low labor costs; this is mainly because automation eliminates the hidden but high costs of "not working," such as the expense of poor quality and rejects, and the costs of shutting down the machinery to change from one model of a product to another. Consider two automated American producers of televisions, Motorola and RCA. Both were almost

driven out of the market by imports from countries with much lower labor costs. Both subsequently automated, with the result that these American-made products now successfully compete with foreign imports. Similarly, some highly automated textile mills in the Carolinas can underbid imports from countries with very low labor costs such as Thailand. On the other hand, although some American semiconductor companies have lower labor costs because they do the labor-intensive work offshore, e.g., in West Africa, they are still the high-cost producers and easily underbid by the heavily automated Japanese.

The cost of capital will thus become increasingly important in international competition. And this is where, in the last ten years, the United States has become the highest-cost country—and Japan the lowest. A reversal of the U.S. policy of high interest rates and costly equity capital should thus be a priority for American decision-makers. This demands that reduction of the government deficit, rather than high interest rates, becomes the first defense against inflation.

For developed countries, especially the United States, the steady downgrading of labor costs as a major competitive factor could be a positive development. For the Third World, especially rapidly industrializing countries such as Brazil, South Korea or Mexico, it is, however, bad news.

In the rapid industrialization of the nineteenth century, one country, Japan, developed by exporting raw materials, mainly silk and tea, at steadily rising prices. Another, Germany, developed by leap-frogging into the "high-tech" industries of its time, mainly electricity, chemicals and optics. A third, the United States, did both. Both routes are blocked for today's rapidly industrializing countries—the first because of the deterioration of the terms of trade for primary products, the second because it requires an infrastructure of knowledge and education far beyond the reach of a poor country (although South Korea is reaching for it). Competition based on lower labor costs seemed to be the only alternative; is this also going to be blocked?

VII

The third major change that has occurred in the world economy is the emergence of the "symbol" economy—capital movements, exchange rates and credit flows—as the flywheel of the world economy, in place of the "real" economy—the flow of goods and services. The two economies seem to be operating increasingly independently. This is both the most visible and the least understood of the changes.

World trade in goods is larger, much larger, than it has ever been before. And so is the "invisible trade," the trade in services. Together, the two amount to around $2.5 trillion to $3 trillion a year. But the London Eurodollar market, in which the world's financial institutions borrow from and lend to each other, turns over $300 billion each working day, or $75 trillion a year, a volume at least 25 times that of world trade.[10]

In addition, there are the foreign exchange transactions in the world's main money centers, in which one currency is traded against another. These run around $150 billion a day, or about $35 trillion a year—12 times the worldwide trade in goods and services.

Of course, many of these Eurodollars, yen and Swiss francs are just being moved from one pocket to another and may be counted more than once. A massive discrepancy still exists, and there is only one conclusion: capital movements unconnected to trade—and indeed largely independent of it—greatly exceed trade finance.

There is no one explanation for this explosion of international—or more accurately, transnational—money flows. The shift from fixed to floating exchange rates in 1971 may have given an initial impetus (though, ironically, it was meant to do the exact opposite) by inviting currency speculation. The surge in liquid funds flowing to petroleum producers after the two oil shocks of 1973 and 1979 was surely a major factor.

But there can be little doubt that the U.S. government deficit also plays a big role. The American budget has become a financial "black hole," sucking in liquid funds from all over the world, making the United States the world's major debtor country.[11] Indeed, it can be argued that it is the budget deficit that underlies the American trade and payments deficit. A trade and payments deficit is, in effect, a loan from the seller of goods and services to the buyer, that is, to the United States. Without it, Washington could not finance its budget deficit, at least not without the risk of explosive inflation.

The way major countries have learned to use the international economy to avoid tackling disagreeable domestic problems is unprecedented: the United States has used high interests rates to attract foreign capital and avoid confronting its domestic deficit; the Japanese have pushed exports to maintain employment despite a sluggish domestic economy. This politicization of the international economy is surely also a factor in the extreme volatility and instability of capital flows and exchange rates.

Whichever of these causes is judged the most important, together they have produced a basic change: in the world economy of today, the "real economy of goods and services and the "symbol" economy of money, credit and capital are no longer bound tightly to each other: they are indeed moving further and further apart.

Traditional international economic theory is still neoclassical, holding that trade in goods and services determines international capital flows and foreign exchange rates. Capital flows and foreign exchange rates since the first half of the 1970s have, however, moved quite independently of foreign trade, and indeed (e.g., in the rise of the dollar in 1984-85) have run counter to it.

But the world economy also does not fit the Keynesian model in which the "symbol" economy determines the "real" economy. The relationship between the turbulences in the world economy and the various domestic economies has become quite obscure. Despite its unprecedented trade deficit, the United States has had no deflation and has barely been able to keep inflation in check; it also has the lowest unemployment rate of any major industrial country except Japan, lower than that of West Germany, whose exports of manufactured goods and trade surpluses have been growing as fast as those of Japan. Conversely, despite the exponential growth of Japanese exports and an unprecedented Japanese trade surplus, the Japanese domestic economy is not booming but has remained remarkably sluggish and is not generating any new jobs.

Economists assume that the "real" economy and the "symbol" economy will come together again. They do disagree however—and quite sharply—as to whether they will do so in a "soft landing" or in a head-on collision.

The "soft-landing" scenario—the Reagan Administration is committed to it, as are the governments of most of the other developed countries—expects the U.S. government deficit and the U.S. trade deficit to go down together until both attain surplus, or at least balance, sometime in the early 1990s. Presumably both capital flows and exchange rates will then stabilize, with production and employment high and inflation low in major developed countries.

In sharp contrast to this are the "hard-landing" scenarios.[12] With every deficit year the indebtedness of the U.S. government goes up, and with it the interest charges on the U.S. budget, which in turn raises the deficit even further. Sooner or later, the argument goes, foreign confidence in America and the American dollar will be undermined—some observers consider this practically imminent. Foreigners would stop lending money to the United States and, indeed, try to convert their dollars into other currencies. The resulting "flight from the dollar"would bring the dollar's exchange rates crashing down, and also create an extreme credit crunch, if not a "liquidity crisis" in the United States. The only question is whether the result for the United States would be a deflationary depression, a renewed outbreak of severe inflation or, the most dreaded affliction, "stagflation"—a deflationary, stagnant economy combined with an inflationary currency.

There is, however, a totally different "hard-landing" scenario, one in which Japan, not the United States, faces an economic crisis. For the first time in peacetime history the major debtor, the United States, owes its foreign debt in its own currency. To get out of this debt it does not need to repudiate it, declare a moratorium, or negotiate a "roll-over." All it has to do is devalue its currency and the foreign creditor has effectively been expropriated.

For "foreign creditor," read Japan. The Japanese by now hold about half of the dollars the United States owes to foreigners. In addition, practically all of their other claims on the outside world are in dollars, largely because the Japanese have resisted all attempts to make the yen an international trading currency lest the government lose control over it. Altogether, Japanese banks now hold more international assets than do the banks of any other country, including the United States. And practically all these assets are in U.S. dollars—$640 billion of them. A devaluation of the U.S. dollar thus would fall most heavily on the Japanese.

The repercussions for Japan extend deep into its trade and domestic economy. By far the largest part of Japan's exports goes to the United States. If there is a "hard landing," the United States might well turn protectionist almost overnight; it is unlikely that Americans would let in large volumes of imported goods were the unemployment rate to soar. But this would immediately cause severe unemployment in Tokyo and Nagoya and Hiroshima, and might indeed set off a true depression in Japan.

There is still another "hard landing" scenario. In this version neither the United States, nor Japan, nor the industrial economies altogether, experience the "hard landing"; it would hit the already depressed producers of primary products.

Practically all primary materials are traded in dollars, and their prices might not go up at all should the dollar be devalued (they actually went down when the dollar plunged by 30 percent between summer 1985 and February 1986). Thus Japan may

be practically unaffected by a dollar devaluation; Japan needs dollar balances only to pay for primary-product imports, as it buys little else on the outside and has no foreign debt. The United States, too, may not suffer, and may even benefit as its industrial exports become more competitive. But while the primary producers sell mainly in dollars, they have to pay in other developed nations' currencies for a large part of their industrial imports. The United States, after all, although the world's leading exporter of industrial goods, still accounts for only one-fifth of the total. And the dollar prices of the industrial goods furnished by others—the Germans, the Japanese, the French, the British, and so on—are likely to go up. This might bring about a further drop in the terms of trade for the already depressed primary producers. Some estimates of the possible deterioration go as high as ten percent, which would entail considerable hardship not only for metal mines in South America and Zimbabwe, but also for farmers in Canada, Kansas and Brazil.

One more possible scenario involves no "landings," either "soft" or "hard." What if the economists were wrong and both the American budget deficit and American trade deficit continue, albeit at lower levels than in recent years? This would happen if the outside world's willingness to put its money into the United States were based on other than purely economic considerations—on their own internal domestic politics, for example, or simply on the desire to escape risks at home that appear to be far worse than a U.S. devaluation.

This is the only scenario that is so far supported by hard facts rather than by theory. Indeed, it is already playing.

The U.S. government talked the dollar down by almost one-third (from a rate of 250 yen to 180 yen to the dollar) between summer 1985 and February 1986—one of the most massive devaluations ever of a major currency, though called a "readjustment." America's creditors unanimously supported this devaluation and indeed demanded it. More amazing still, they responded by increasing their loans to the United States, and substantially so. International bankers seem to agree that the United States is more creditworthy the more the lender stands to lose by lending to it!

A major reason for this Alice-in-Wonderland attitude is that the biggest U.S. creditors, the Japanese, clearly prefer even very heavy losses on their dollar holdings to domestic unemployment. And without exports to the United States, Japan might have unemployment close to that of Western Europe, nine to eleven percent, and concentrated in the most politically sensitive smokestack industries in which Japan is becoming increasingly vulnerable to competition from newcomers such as South Korea.

Similarly, economic conditions alone will not induce Hong Kong Chinese to withdraw the money they have transferred to American banks in anticipation of Hong Kong's reversion to Chinese sovereignty in 1997. These deposits amount to billions. The even larger amounts—at least several hundred billion—of "flight capital" from Latin America that have found refuge in the U.S. dollar will also not be lured away by purely economic incentives such as higher interest rates.

The sum needed from the outside to maintain both a huge U.S. budget deficit and a huge U.S. trade deficit would be far too big to make this the most probable scenario. But if political factors are in control, the "symbol" economy is indeed truly "uncoupled" from the "real" economy, at least in the international sphere. Whichever scenario proves right, none promises a return to any kind of "normalcy."

VIII

From now on exchange rates between major currencies will have to be treated in economic theory and business policy alike as a "comparative-advantage" factor, and a major one.

Economic theory teaches that the comparative-advantage factors of the "real" economy—comparative labor costs and labor productivity, raw material costs, energy costs, transportation costs and the like—determine exchange rates. Practically all businesses base their policies on this notion. Increasingly, however, it is exchange rates that decide how labor costs in country A compare to labor costs in country B. Exchange rates are thus a major "comparative cost" and one totally beyond business control. Any firm exposed to the international economy has to realize that it is in two businesses at the same time. It is both a maker of goods (or a supplier of services) and a "financial" business. It cannot disregard either.

Specifically, the business that sells abroad—whether as an exporter or through a subsidiary—will have to protect itself against three foreign exchange exposures: proceeds from sales, working capital devoted to manufacturing for overseas markets, and investments abroad. This will have to be done whether the business expects the value of its own currency to go up or down. Businesses that buy abroad will have to do likewise. Indeed, even purely domestic businesses that face foreign competition in their home market will have to learn to hedge against the currency in which their main competitors produce. If American businesses had been run this way during the years of the overvalued dollar, from 1982 through 1985, most of the losses in market standing abroad and in foreign earnings might have been prevented. They were management failures, not acts of God. Surely stockholders, but also the public in general, have every right to expect management to do better the next time around.

In respect to government policy there is one conclusion: don't be "clever." It is tempting to exploit the ambiguity, instability and uncertainty of the world economy to gain short-term advantages and to duck unpopular political decisions. But it does not work. Indeed, disaster is a more likely outcome than success, as all three of the attempts made so far amply indicate.

In the first attempt, the Carter Administration pushed down the U.S. dollar to artificial lows to stimulate the American economy through the promotion of exports. American exports did indeed go up—spectacularly so. But far from stimulating the domestic economy, this depressed it, resulting in simultaneous record unemployment and accelerated inflation—the worst of all possible outcomes.

President Reagan a few years later pushed up interest rates to stop inflation, and also pushed up the dollar. This did indeed stop inflation. It also triggered massive inflows of capital. But it so overvalued the dollar as to create a surge of foreign imports. As a result, the Reagan policy exposed the most vulnerable of the smokestack industries, such as steel and automobiles, to competition they could not possibly meet. It deprived them of the earnings they needed to modernize themselves. Also, the policy seriously damaged, perhaps irreversibly, the competitive position of American farm products in the world markets, and at the worst possible time. Worse still, his "cleverness" defeated Mr. Reagan's major purpose: the reduction of the U.S. government deficit. Because of the losses to foreign competition, domestic industry did not grow enough to produce higher tax revenues. Yet the easy and almost unlimited availability of foreign money enabled Congress (and the Administration) to postpone again and again action to cut the deficit.

In the third case the Japanese, too, may have been too clever in their attempt to exploit the disjunction between the international "symbol" and "real" economies. Exploiting an undervalued yen, the Japanese have been pushing exports—a policy quite reminiscent of America under the Carter Administration. But the Japanese policy similarly has failed to stimulate the domestic economy; it has been barely growing these last few years despite the export boom. As a result, the Japanese have become dangerously overdependent on one customer, the United States. This has forced them to invest huge sums in American dollars, even though every thoughtful Japanese (including, of course, individuals in the Japanese government and the Japanese central bank) has known all along that these investments would end up being severely devalued.

Surely these three lessons should have taught us that government economic policies will succeed to the extent to which they try to harmonize the needs of the two economies, rather than to the extent to which they try to exploit the disharmony between them. Or to repeat very old wisdom, "in finance don't be clever; be simple and conscientious." I am afraid this is advice that governments are not likely to heed soon.

It is much too early to guess what the world economy of tomorrow will look like. Will major countries, for instance, succumb to traditional fears and retreat into protectionism? Or will they see a changed world economy as an opportunity?

Some parts of the main agenda, however, are fairly clear by now. Rapidly industrializing countries like Mexico or Brazil will need to formulate new development concepts and policies. They can no longer hope to finance their development by raw material exports, e.g., Mexican oil. It is also becoming unrealistic for them to believe that their low labor costs will enable them to export large quantities of finished goods to developed countries—something the Brazilians, for instance, still expect. They would do much better to go into "production sharing," that is, to use their labor advantage to become subcontractors to developed-country manufacturers for highly labor-intensive work that cannot be automated—some assembly operations, for instance, or parts and components needed only in relatively small quantities. Developed countries no longer have the labor to do such work, which even with the most thorough automation will still account for 15 to 20 percent of manufacturing work.

Such production sharing is, of course, how Singapore, Hong Kong and Taiwan bootstrapped their development. Yet in Latin America production sharing is still politically unacceptable and, indeed, anathema. Mexico, for instance, has been deeply committed since its beginnings as a modern nation in the early years of this century to making its economy less dependent on, and

less integrated with, that of its big neighbor to the north. That this policy has been a total failure for 80 years has only strengthened its emotional and political appeal.

Even if production sharing is implemented to the fullest, it would not by itself provide enough income to fuel development, especially of countries so much larger than the Chinese "city-states." We thus need a new model and new policies.

Can we learn something from India? Everyone knows of India's problems—and they are legion. Few people seem to realize, however, that since independence India has done a better development job than almost any other Third World country: it has enjoyed the fastest increase in farm production and farm yields; a growth rate in manufacturing production equal to that of Brazil, and perhaps even of South Korea (India now has a bigger industrial economy than any but a handful of developed countries); the emergence of large and highly entrepreneurial middle class; and, arguably, the greatest achievement in providing schooling and health care in the villages. Yet the Indians followed none of the established models. They did not, like Stalin, Mao and so many leaders of newly independent African nations, despoil the peasants to produce capital for industrial development. They did not export raw materials. And they did not export the products of cheap labor. Instead, since Nehru's death in 1964, India has followed a policy of strengthening agriculture and encouraging consumer goods production. India and its achievement are bound to get far more attention in the future.

The developed countries, too, need to think through their policies in respect to the Third World—and especially in respect to the "stars" of the Third World, the rapidly industrializing countries. There are some beginnings: the debt proposals recently put forward by Treasury Secretary James A. Baker, or the new lending criteria recently announced by the World Bank for loans to Third World countries, which will be made conditional on a country's overall development policies rather than on the soundness of individual projects. But these proposals are aimed more at correcting past mistakes than at developing new policies.

The other major agenda item is—inevitably—the international monetary system. Since the Bretton Woods Conference in 1944, the world monetary system has been based on the U.S. dollar as the reserve currency. This clearly does not work any more. The reserve-currency country must be willing to subordinate its domestic policies to the needs of the international economy, e.g., risk domestic unemployment to keep currency rates stable. And when it came to the crunch, the United States refused to do so—as Keynes, by the way, predicted 40 years ago.

The stability supposedly supplied by the reserve currency could be estblished today only if the major trading countries—at a minimum the United States, West Germany and Japan—agreed to coordinate their economic, fiscal and monetary policies, if not to subordinate them to joint (and this would mean supranational) decision-making. Is such a development even conceivable, except perhaps in the event of worldwide financial collapse? The European experience with the far more modest European Currency Unit is not encouraging; so far, no European government has been willing to yield an inch for the sake of the ECU. But what else can be done? Have we come to the end of the 300-year-old attempt to regulate and stabilize money on which, after all, both the modern nation-state and the international system are largely based?

We are left with one conclusion: economic dynamics have decisively shifted from the national economy to the world economy.

Prevailing economic theory—whether Keynesian, monetarist or supply-side—considers the national economy, especially that of the large developed countries, to be autonomous and the unit of both economic analysis and economic policy. The international economy may be a restraint and a limitation, but it is not central, let alone determining. This "macroeconomic axiom" of the modern economist has become increasingly shaky. The two major subscribers to this axiom, Britain and the United States, have done least well economically in the last 30 years, and have also has the most economic instability.

West Germany and Japan never accepted the "macroeconomic axiom." Their universities teach it, of course, but their policymakers, both in government and in business, reject it. Instead, both countries all along have based their economic policies on the world economy, have systematically tried to anticipate its trends and exploit its changes as opportunities. Above all, both make the country's competitive position in the world economy the first priority in their policies—economic, fiscal, monetary, even social—to which domestic considerations are normally subordinated. And these two countries have done far better—economically and socially—than Britain and the United States these last 30 years. In fact, their focus on the world economy and the priority they give it may be the real "secret" of their success.

Similarly the "secret" of successful businesses in the developed world—the Japanese, the German carmakers like Mercedes and BMW, Asea and Erickson in Sweden, IBM and Citibank in the United States, but equally of a host of medium-sized specialists in manufacturing and in all kinds of services—has been that they base their plans and their policies on exploiting the world economy's changes as opportunities.

From now on any country—but also any business, especially a large one—that wants to prosper will have to accept that it is the world economy that leads and that domestic economic policies will succeed only if they strengthen, or at least do not impair, the country's international competitive position. This may be the most important—it surely is the most striking—feature of the changed world economy.

FOOTNOTES

[1] When the price of petroleum dropped to $15 a barrel in February 1986, it was actually below its 1933 price (adjusted for the change in the purchasing power of the dollar). It was still, however, substantially higher than its all-time low in 1972-73, which in 1986 dollars amounted to $7-$8 a barrel.

[2] On this see two quite different discussions by Dennis Avery, "U.S. Farm Dilemma: The Global Bad News Is Wrong," *Science*, Oct. 25, 1985; and Barbara Insel, "A World Awash in Grain," *Foreign Affairs*, Spring 1985.

[3] The business cycle theory was developed just before World War I by the Russian mathematical economist, Nikolai Kondratieff, who made comprehensive studies of raw material price cycles and their impacts all the way back to 1797.

[4] These conclusions are based on static analysis, which presumes that which products are bought and sold is not affected by changes in price. This is of course unrealistic, but the flaw should not materially affect the conclusions.

[5] Although the African famine looms large in our consciousness, the total population of the affected areas is far too small to make any dent in world food surpluses.

[6] David Sapsford, *Real Primary Commodity Prices: An Analysis of Long-Run Movements*, International Monetary Fund Internal Memorandum, May 17, 1985, (unpublished).

[7] This was asserted as early as 1950 by the South American economist Raul Prebisch in *The Economic Development of Latin America and its Principal Problems* (E/CN. 12/89/REV.I), United Nations Economic Commission for Latin America. But then no one, including myself, believed him.

[8] The Japanese government, for example, sponsors a finance company that makes long-term, low interest loans to small manufacturers to enable them to automate rapidly.

[9] On this see my book, *Innovation and Entrepreneurship: Practice and Principles*, New York: Harper & Row, 1985.

[10] A Eurodollar is a U.S. dollar held outside the United States.

[11] This is cogently argued by Stephen Marris, for almost 30 years economic adviser to the Organization for Economic Cooperation and Development (OECD), in his *Deficits and the Dollar: The World Economy at Risk*, Washington: Institute of International Economics, December 1985.

[12] Stephen Marris, *Deficits and the Dollar*, cited above, gives the clearest and most persuasive presentation of the hard-landing scenarios.●

TRIBUTE TO BANDELIER ELEMENTARY SCHOOL

● Mr. DOMENICI. Mr. President, I am very proud to tell my colleagues about seven students from Bandelier Elementary School in Albuquerque, NM, who recently won first place at the National Olympics of the Mind competition. I know the Senate joins me in wishing the students and Bandelier Elementary our congratulations.

This national program often called simply OM, is a problem solving competition for elementary, middle, and high school students. The competition attracted over 600 teams from across the country. By challenging students to be creative, and by encouraging students to test their intellectual powers in competition, the program encourages the development of skills for creativity and problem solving.

Teams compete throughout the school year before reaching the national competition. Early in the school year, board members devise five long-term problems for teachers to present to their students. Student teams then choose one of those problems and work together to solve it. Each school chooses a team to compete at the State level, and those State winners advance to the national competition.

In this year's national competition, the team of fourth and fifth graders from Bandelier Elementary School enacted a 7-minute caveman scene. This included a fire discovery scene and musical instrument creation skit. In addition to taking first place in their division, the Bandelier youngsters won the Ranata Fusca Award for outstanding creativity in problem solving.

Mr. President, I am very pleased to recognize before the Senate today the Bandelier team members: Cathy Csepregi, Claire Johnson, Michael Feferman, Matthew Jackson, Amee Marsjanik, Tim Scott, and Todd Windes.

I also would like to commend the parents of the students, as well as the

team choaches, Sandy Lethem and Frank Csepregi, and Bandelier Elementary School principal Joe Groom.

The hard work and creativity demonstrated by these students, and the support and encouragement given the students by their parents and teachers, makes me and all New Mexicans so very proud of our schools.

NAUM MEIMAN

● Mr. SIMON. Mr. President, I am pleased to hear that Foreign Minister Shevardnadze's visit to our country has allowed President Reagan to raise the issue of human rights directly with a high-ranking official in the Soviet Government.

I have told and retold the story of my good friend Naum Meiman. Yesterday gave new hope to those of us struggling for Naum and his many comrades in the Soviet Union. Naum is still trying unsuccessfully to leave the Soviet Union, Naum is still trying to be reunited with his daughter whom he has not seen for 11 years, and Naum is still suffering from constant harassment and religious persecution. Most importantly, Naum is still suffering from the loss of his wife, Inna, who died prematurely as a consequence of inadequate medical care in the Soviet Union.

The progress made yesterday toward making the world safer from the threat of nuclear destruction is welcome. However, it should not allow us to forget those individuals in the Soviet Union who continue to suffer and whose basic human rights continued to be denied.

We must not forget the plight of Naum Meiman. Yesterday's meeting was a step, a single step, that must be followed by many more.●

THE CALENDAR

Mr. BYRD. Madam President, I ask the distinguished acting Republican leader, Mr. CHAFEE, if two items on the Calendar of Business, Calendar Order No. 297 and Calendar Order No. 303, have been cleared on his side of the aisle.

Mr. CHAFEE. Madam President, I say to the majority leader that he is absolutely correct. No. 297 has been cleared and available for passage at his convenience. On No. 303, I have an amendment by Senator STEVENS that, at the appropriate time, I would like to offer. But if the majority leader would like to proceed with 297, we might do that if he is agreeable.

Mr. BYRD. Madam President, I thank my friend.

I ask unanimous consent that the Senate proceed seriatim to the consideration of Calendar Orders numbered 297 and 303.

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

REVISION OF PENALTIES RELATING TO CERTAIN AVIATION REPORTS AND RECORDS OFFENSES

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 1163) to amend section 902(e) of the Federal Aviation Act of 1958 to revise criminal penalties relating to certain aviation reports and records offenses.

Mr. HOLLINGS. Mr. President, I rise in support of H.R. 1163, legislation to strengthen the criminal penalties for those airlines not complying with Federal Aviation Administration safety recordkeeping and reporting requirements. It is badly needed to ensure the airlines are not cutting corners on their operations and maintenance activities—and therefore remain safe to fly.

I want to commend the Chairman of the Aviation Subcommittee, Senator FORD, for taking the necessary steps to ensure that this bill—which was passed by the House of Representatives earlier this year without objection—is enacted into law. And I want to commend its sponsor, DAN GLICKMAN, for his efforts to introduce this bill as a means of ensuring that there is no compromising aviation safety.

Mr. President, there are several reasons why increased penalties are needed. But the principle one remains the safety of those who fly. Only last month we once again say the tragedy caused by a crash of an airliner in Detroit—and the loss of scores of lives.

That accident reinforces the need for us to take every conceivable action to ensure that in this deregulated environment, the airways remain safe.

We did not deregulate aviation safety in 1978. Everyone will agree on that. Yet, under deregulation, there are increasing pressures for the airlines to focus on competitive demands—which can result in a dimunition of attention on necessary activities such as preventative maintenance. In today's deregulated environment, there is no assurance that the costs of running an airline will be covered, and the possibility of not performing such maintenance is very real.

As such, there exists the incentive for an airline to cut corners. And because of the minimal penalties now on the books for falsifying records and reports required by the FAA—a misdemeanor punishable by a fine of between $100 and $5,000—an airline CEO, in an extreme case, may find it in his best interest to falsify or not report such information. The fact that it does occur was made clear by recent in-depth inspection by the FAA of the major air carriers and the identification of record numbers of recordkeeping and reporting violations.

Mr. President, this bill, which will increase those criminal penalties for the failure to file or intentional falsification of FAA-required safety reports, will help ensure that that incentive is eliminated. H.R. 1163 would do this by imposing the threat of penalties that could reach $10,000 for every violation—as well as imprisonment—steps that should ensure that adequate records are kept and that safety is not compromised.

Mr. President, I urge the Senate to move swiftly on this bill. It should be passed today and sent to the President for his signature.

Mr. FORD. Mr. President, H.R. 1163, legislation to establish criminal penalties for commercial air carriers in violation of aviation safety reporting and recordkeeping requirements is timely legislation and it should be passed. I urge my colleagues to join me in supporting it and sending it to the President so that it can be expeditiously signed into law.

The past 2 years have shown an increasing need for criminal penalties related to the Federal Aviation Administration's recordkeeping and reporting requirements on airline safety matters. Increasingly, the FAA has found that airlines are guilty of not complying with current requirements on maintaining and proper reporting of records on operational and training activities, maintenance, flight time, weight and balance calculation, hazardous material training, and the processing and certification of flight crews. The best and most recent example of this was last year when the FAA identified some 78,000 violations by Eastern Airlines of the agency's safety recordkeeping and reporting requirements.

Mr. President, it is not news to anyone when I say that public confidence in our Nation's air transportation system has never been lower. Recent accidents and increasing reports of safety problems necessitate our taking every action possible to increase the margin of aviation safety.

Clearly, action is needed. In this case that translates into legislation to ensure increased compliance with FAA recordkeeping and reporting requirements—and correspondingly, I believe, increased safety among commercial air carriers.

H.R. 1163 would establish fines of not more than $5,000 in the case of an individual and not more than $10,000 in the case of an air carrier for the failure to file or falsification of a report, account, record, or memorandum required by FAA safety-related rules or regulations. It would also require that any air carrier or employee who intentionally falsifies or conceals a material fact, or invites reliance on a false statement or representation concerning a material fact in a report, account, record, or memorandum required by the FAA would be punish-

able by fine, imprisonment of up to 5 years, or both.

This legislation, which was introduced by Congressman DAN GLICKMAN, has already unanimously been approved by the House of Representatives. And it was approved in late July without objection by the Commerce Committee. I therefore see no reason why it should not pass today with the same kind of support.

Mr. President, H.R. 1163 is needed to ensure increased compliance with the FAA's safety rules and regulations. It is needed to improve aviation safety. I urge my colleagues to join me in supporting its passage.

The PRESIDING OFFICER. Are there amendments? If not, the question is on the third reading and passage of the bill.

The bill (H.R. 1163) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PAY AND ALLOWANCES OF CERTAIN MEMBERS OF THE COMMISSIONED CORPS OF THE PUBLIC HEALTH SERVICE

The PRESIDING OFFICER. The clerk will report the next measure.

The assistant legislative clerk read as follows:

A bill (S. 1666) to amend title 5, United States Code, to provide for the extension of physicians comparability allowances and to amend title 27, United States Code, to provide for special pay for psychologists in the commissioned corps of the Public Health Service.

The Senate proceeded to consider the bill.

AMENDMENT NO. 685

(Purpose: To amend title 5, United States Code, to increase the minimum amount of the physicians comparability allowance)

Mr. CHAFEE. Madam President, I send an amendment to the desk and ask it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE], for Mr. Stevens, proposes an amendment numbered 685.

Mr. CHAFEE. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection, it is so ordered.

The amendment is as follows:

On page 2, strike out lines 4 through 6, and insert in lieu thereof:

Section 5948(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out "$7,000" and inserting in lieu thereof "$14,000";

(2) in paragraph (2) by striking out "$10,000" and inserting in lieu thereof "$20,000"; and

(3) by adding at the end thereof (after and below paragraph (2)) the following:

"For the purpose of determining length of service as a Government physician, service as a physician under section 4104 or 4114 of title 38 or active service as a medical officer in the commissioned corps of the Public Health Service under Title II of the Public Health Service Act (42 U.S.C. ch. 6A) shall be deemed service as a Government physician."

Mr. STEVENS. Mr. President, the Federal Physicians Comparability Allowance Act of 1978 enabled the heads of executive agencies to offer service agreements to certain categories of Federal physicians and dentists in order to alleviate recruitment and retention problems experienced by the agencies. The allowance which was reauthorized in 1979, 1981, and 1983 is used only where there is a significant recruitment and retention problem. Currently it may not exceed:

The $7,000 per annum if, at the time the agreement is entered into, the physician has served for 24 months or less; or $10,000 per annum if the physician has more than 24 months' service.

The act will expire September 30, 1987.

Recent statistics show that in the last 3 years, the percentage of physicians receiving the bonus has grown from 53 percent to 61 percent Governmentwide. The largest category of physicians receiving the allowance are researchers—92 percent. Even with the comparability allowance these physicians have a pay gap with private sector physicians ranging from 28 to 75 percent. Consequently, the agencies are still experiencing recruitment and retention problems. Mr. President, we are living in a time when we must attract the very best physicians to the Federal Government. We need top academicians to attack national problems such as AIDS and cancer. We cannot always provide the benefits and modern facilities commonly available in the private sector, but we can do something to narrow the pay gap.

The bill I introduced August 7, 1987, would reauthorize the act until September 30, 1990. It will also raise the maximum allowance to $20,000 in lieu of the current $10,000. I would still expect that the $10,000 limit would be used in most cases, but additional incentive would be available for extraordinary recruitment and retention problems. The bill will also expand special pay coverage to psychologists in the commissioned corps of the Public Health Service who have been board certified by the American Board of Professional Psychology. It is comparable to the board certified pay given to Public Health Service medical officers.

The amendment I am offering today would also raise the $7,000 per annum maximum for physicians who have served for 24 months or less to $14,000 maximum. Following further discussions with the administration, I have concluded that it would be appropriate that the maximum also be raised for those with less than 24 months' service. While I would expect that the maximum allowance would not be routinely used, it would allow agencies the flexibility to offer higher salaries to attract exceptionally qualified physicians from the private sector.

Mr. President, we are nearing the expiration date of the Federal Physician's Comparability Allowance Act. I urge my colleagues to support this important legislation.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment (No. 685) was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

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

The bill (S. 1666) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FEDERAL PHYSICIANS COMPARABILITY ALLOWANCE AMENDMENTS.

(a) PHYSICIANS COMPARABILITY ALLOWANCES.—Section 5948(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out "$7,000" and inserting in lieu thereof "$14,000";

(2) in paragraph (2) by striking out "$10,000" and inserting in lieu thereof "$20,000"; and

(3) by adding at the end thereof (after and below paragraph (2)) the following:

"For the purpose of determining length of service as a Government physician, service as a physician under section 4104 or 4114 of title 38 or active service as a medical officer in the commissioned corps of the Public Health Service under Title II of the Public Health Service Act (42 U.S.C. ch. 6A) shall be deemed service as a Government physician."

(b) EXTENSION OF AUTHORITY.—The second sentence of section 5948(d) of title 5, United States Code, is amended to read as follows: "No agreement shall be entered into under this section later than September 30, 1990, nor shall any agreement cover a period of service extending beyond September 30, 1992.".

SEC. 2. SPECIAL PAY FOR PSYCHOLOGISTS IN THE PUBLIC HEALTH SERVICE CORPS.

(a) SPECIAL PAY.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302b the following new section:

"§ 302c. Special pay: psychologists in the Public Health Service Corps

"(a) A member who is—

"(1) an officer in the Regular or Reserve Corps of the Public Health Service and is designated as a psychologist; and

"(2) has been awarded a diploma as a Diplomate in Psychology by the American Board of Professional Psychology,

is entitled to special pay, as provided in subsection (b).

"(b) The rate of special pay to which an officer is entitled pursuant to subsection (a) shall be—

"(1) $2,000 per year, if the officer has less than 10 years of creditable service;

"(2) $2,500 per year, if the officer has at least 10 but less than 12 years of creditable service;

"(3) $3,000 per year, if the officer has at least 12 but less than 14 years of creditable service;

"(4) $4,000 per year, if the officer has at least 14 but less than 18 years of creditable service; or

"(5) $5,000 per year, if the officer has 18 or more years of creditable service.".

(b) CONFORMING AMENDMENTS.—(1) Section 303a of title 37, United States Code, is amended by inserting "302c," after "302b," each place it appears.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302b the following new item:

"302c. Special pay: psychologists in the Public Health Service Corps.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1987 or on the date of the enactment of this Act, whichever is later, and shall apply with respect to pay periods beginning on or after that effective date.

Mr. BYRD. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. CHAFEE. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR STAR PRINT—S. 705

Mr. BYRD. Madam President, I ask unanimous consent that a star print be made of S. 705, a bill to convey federally held lands to the Sioux Nation and I send a corrected copy of the bill to the desk.

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

ORDER TO PLACE BILL ON CALENDAR

Mr. BYRD. Madam President, I ask unanimous consent that S. 691, a bill introduced earlier today by Senators CRANSTON and MURKOWSKI dealing with veterans' guaranteed loans be placed on the calendar.

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

EXECUTIVE SESSION

Mr. BYRD. Madam President, may I ask my distinguished friend if the three nominations on the Executive Calendar on page 2 under the Department of Agriculture have been cleared on the other side of the aisle.

Mr. CHAFEE. Madam President, I wanted to report to the distinguished majority leader that, indeed, those three nominations have been cleared on this side.

Mr. BYRD. Madam President, I thank the distinguished Senator. I ask unanimous consent that the Senate go into executive session to consider the nominations on page 2 under the Department of Agriculture, there being 3; that they be considered en bloc, confirmed en bloc, the motion to reconsider be laid on the table, the President be immediately notified of the confirmation of the nonminees and that the Senate return to legislative session.

The PRESIDING OFFICER. There is no objection. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows.

Milton J. Hertz, of North Dakota, to be a Member of the Board of Directors of the Commodity Credit Corporation.

Ewen M. Wilson, of Virginia, to be an Assistant Secretary of Agriculture.

Ewen M. Wilson, of Virginia, to be a Member of the Board of Directors of the Commodity Credit Corporation.

ORDER WAIVING THE CALL OF THE CALENDAR AND THAT NO MOTIONS AND RESOLUTIONS OVER, UNDER THE RULE, COME OVER

Mr. BYRD. Madam President, I ask unanimous consent that on tomorrow the call of the calendar be waived under rule VIII and that no motions and resolutions over, under the rule, come over.

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

ORDER OF PROCEDURE

Mr. BYRD. Madam President, I ask my distinguished friend, the acting leader on the other side, if he has any further statement to make or further business to transact.

Mr. CHAFEE. Madam President, I want to thank the distinguished majority leader.

I would like to ask one question, a brief question, if I might. It is my understanding regarding tomorrow that the time for debate on the Warner amendment will be from 9 until 9:30, with a vote at 9:30, no earlier than or no later than 9:30. Am I correct on that?

Mr. BYRD. Yes, Madam President; that is correct.

Mr. CHAFEE. So anybody who wishes to participate in any debate, if that individual Senator comes to the floor at 9 o'clock, can speak during the time between 9 and 9:30.

Mr. BYRD. Yes.

Mr. CHAFEE. What will happen to the time of the leaders?

Mr. BYRD. I will proceed to state the program and answer the distinguished Senator's question.

PROGRAM

Mr. BYRD. Madam President, the Senate will convene tomorrow morning at 8:30. After the two leaders have been recognized under the standing order, there will be a period for the transaction of morning business, not to extend beyond the hour of 9 o'clock a.m. During that period for the transaction of morning business, Senators may speak therein for not to exceed 3 minutes each.

At the hour of 9 o'clock a.m., the Senate will resume consideration of the unfinished business, the DOD authorization bill.

Between the hour of 9 o'clock and 9:30 a.m. tomorrow, Senators may speak on the DOD authorization or may speak on the pending Warner amendment, and at the hour of 9:30 a.m., Senator NUNN will be recognized and he will be the Senator who will move to table the Warner amendment. Senator NUNN will be recognized at 9:30 a.m. to make the motion to table the amendment by Mr. WARNER. There will be a rollcall vote on that tabling motion, the yeas and nays already having been ordered.

Mr. CHAFEE. I was going to ask the majority leader, if I might—and I am not necessarily sure this is going to occur, but there might be a couple of people though they have not shown evidence tonight that they wish to debate it—I know there is not a time limit on this bill but there is a time certain to vote. I wonder if it is possible to agree that the time between 9 and 9:30, if there are more than one individual present who wishes to speak, might be equally divided between the managers of the bill.

Mr. BYRD. I think that is a good suggestion. I ask unanimous consent that the time between 9 o'clock and 9:30 a.m. tomorrow be equally divided and controlled by the manager and ranking member. The ranking member is the offeror of the amendment. I ask unanimous consent that the time be equally divided between Mr. WARNER and Mr. NUNN.

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

Mr. BYRD. Madam President, following the vote on the motion to table the Warner amendment, and I have no way of knowing what the outcome will be, necessarily, may I express the hope that throughout the day Senators will have amendments to call up. Today, in discussing amendments with Senators, I felt certain that Senators had amendments but they were not quite ready to call up their amendments. I hope they will be ready to call up their amendments because these opportuni-

ties do arise. The managers are on the floor and they are ready to debate amendments, but Senators are not ready to call up their amendments.

To save the time of Senators and especially the managers of the bill, Senators who have amendments would accommodate those managers if they have those amendments ready so we can have a steady flow of the amendments and upon the disposition of one, another amendment can be taken up.

I should say that upon the disposition of the amendment by Mr. WARNER, the pending question then will recur on the amendment by Mr. GLENN, so there will be an amendment after the amendment by Mr. WARNER has been disposed of, that being the Glenn amendment. Then we will see where we go from there.

That amendment will be open to amendments and all Senators are urged, if they have amendments, to let the managers know, and I am sure the managers will be eager to get on with amendments. I urge Senators to be prepared for a long day tomorrow and a long day the following day so that we can make good progress on this bill.

I reiterate my earlier statement that there may be a Saturday session. The calendar is facing us and we are daily becoming victims of the calendar and our inability to move the legislation forward, and so the events are crowding in on us with appropriations bills being reported from the Appropriations Committee and with the debt limit extension facing us very soon. The debt limit will expire on next Wednesday at 12 midnight, a week from today, and we will have to take some action prior to that.

I understand, talking with Mr. BENTSEN, may I say, that he feels good progress is being made on both sides with respect to the Gramm-Rudman-Hollings fix. So let us hope that that good news will continue to hold and that we may be able to handle all of these matters in due course.

I thank my friend on the other side of the aisle.

In closing, I am told that the nomination of William Sessions to be Director of the FBI, which is on the calendar, will be ready for consideration before the week is out, and also the nomination of Mr. Verity to be Secretary of Commerce hopefully will be ready and cleared before the week is out.

Does my friend have anything further?

Mr. CHAFEE. No. I thank the distinguished majority leader.

There is nothing that restores the soul and spirit more than a restful weekend with one's family.

Mr. BYRD. That is true. That is what I have been saying for a long time.

Mr. CHAFEE. So I hope that we can move along and dispose of these matters. I am obviously anxious to see these nominations considered and hopefully approved rapidly.

Just out of curiosity, might I ask the majority leader what his intention would be with those nominations? Would it be his thought that he might possibly bring them up this week?

Mr. BYRD. I would hope so, yes.

Mr. CHAFEE. Would it be required that the DOD authorization bill be disposed of or could we intervene?

Mr. BYRD. No. A motion to go into executive session can be made at any time. It is not debatable. We can go to any nomination on the calendar, but that nomination, once it is reached, is debatable. So we will try to work those things out and hopefully clear these nominations and act on them before the week is out.

Mr. CHAFEE. That is good news.

ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

Mr. BYRD. Now, Madam President, that we might go home and engage in some "sleep that knits up the ravell'd sleave of care," I move, in accordance with the order previously entered, that the Senate stand in adjournment until 8:30 tomorrow morning.

The motion was agreed to and the Senate, at 9:03 p.m., adjourned until Thursday, September 17, 1987, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 16, 1987:

INTERNATIONAL ATOMIC ENERGY AGENCY

THE FOLLOWING-NAMED PERSONS TO BE THE REPRESENTATIVE AND ALTERNATIVE REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE THIRTY-FIRST SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY:

REPRESENTATIVE:

JOHN S. HERRINGTON, OF CALIFORNIA.

ALTERNATE REPRESENTATIVES:

RICHARD T. KENNEDY, OF THE DISTRICT OF COLUMBIA.

BRUCE CHAPMAN, OF WASHINGTON.

LANDO W. ZECH, JR., OF VIRGINIA.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 16, 1987:

DEPARTMENT OF AGRICULTURE

MILTON J. HERTZ, OF NORTH DAKOTA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

EWEN M. WILSON, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE.

EWEN M. WILSON, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

INTRAVENOUS SUBSTANCE ABUSE AND AIDS PREVENTION ACT OF 1987

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. RANGEL. Mr. Speaker, today I have introduced the "Intravenous Substance Abuse and AIDS Prevention Act of 1987."

Acquired immune deficiency syndrome—AIDS—is perhaps the most pernicious enemy ever faced by this Nation. This disease could literally destroy us from within. AIDS, however, is not only a direct threat to our national health and well being, it is also a deadly indicator of another disease infecting our society—intravenous [IV] drug abuse. Intravenous drug abuse is the second most frequent means of transmitting the human immunodeficiency virus [HIV], which causes AIDS. The legislation I have proposed would authorize Federal funds for grants to expand drug abuse treatment, establish prevention programs, and provide services to reduce the spread of AIDS through intravenous drug abuse.

The Centers for Disease Control report over 40,000 cases of AIDS. They project 270,000 cases by 1991. Since there is no known cure for the disease, most of these individuals will die.

Among the reported cases of AIDS, heterosexual intravenous drug abusers constitute 17 percent. If the cases of AIDS among homosexuals who are also IV-drug users are added to the heterosexual IV-drug users, intravenous drug abuse accounts for approximately one-fourth of all AIDS cases.

AIDS is transmitted among intravenous substance abusers through the use and sharing of needles, syringes, swabs, or other drug-related implements, contaminated with HIV infected blood. AIDS can be transmitted rapidly among intravenous substance abusers in a given geographic area. These individuals are only the first of the victims in the IV-drug use/AIDS chain. Once a group of intravenous substance abusers becomes exposed to the HIV virus, they become the primary source for heterosexual and perinatal transmission of AIDS.

Although female and perinatal AIDS cases constitute only a small proportion of AIDS cases, the association between these cases and IV-drug use is startling. More than 50 percent of women with AIDS are intravenous drug abusers. The second largest group of women at risk for contracting AIDS are women who are the sexual partners of intravenous substance abusers. There are currently more than 500 pediatric AIDS cases. The overwhelming majority of pediatric AIDS patients, infected through maternal transmission, were children of intravenous drug users.

On July 27, the Select Committee on Narcotics Abuse and Control, which I chair, held a hearing on "Pediatric AIDS" at Harlem Hospital in New York City. To date, Harlem Hospital has cared for at least 60 children infected with the HIV virus. At any one time, there are 8 to 12 such children in the hospital.

In Harlem, as in the Nation, most of these children contract the AIDS virus from their mother during pregnancy or during the process of delivery. Most of the infected mothers are either past or present intravenous drug users or have had sexual relations with someone who has the virus, usually an intravenous drug user. It is easy to judge these women and simply condemn them for their behavior. Such posturing, however, will not prevent more babies from becoming infected; it will not help those babies already afflicted with the disease; and it will not change the behavior of the adults who are transmitting this plague.

Preventing and reducing the transmission of AIDS among intravenous drug abusers is one of the most effective ways to prevent and reduce the heterosexual or perinatal transmission of AIDS. For that reason, I have introduced the "Intravenous Substance Abuse and AIDS Prevention Act of 1987." This legislation would provide $400 million for grants to expand drug abuse treatment services for intravenous drug abusers, for demonstration projects to reduce and prevent the incidence of AIDS in infants and to provide support to infants who have AIDS, and for prevention programs to arrest the spread of AIDS related to intravenous drug abuse.

Specifically: The bill authorizes $200 million for the Secretary of Health and Human Services to make grants to public and private nonprofit entities to provide treatment services to intravenous substance abusers.

The grants will enable these programs to make available to such abusers, and to their sexual partners, counseling and education services to prevent the transmission of HIV and testing to determine HIV infection.

Priority for the services will be given to geographic areas where the incidence of intravenous substance abuse is substantial relative to the incidence in other areas and, simultaneously, the incidence of HIV infection is relatively substantial. Seventy-five percent of the funding under this section of the act will be reserved for such areas. Another 25 percent of the funding will be directed toward communities where the incidence of intravenous drug use is substantial and the incidence of HIV is not, but the development of HIV may be prevented if sufficient treatment, counseling, and education services are provided to intravenous drug users; $100 million is authorized for demonstrated projects to reduce or prevent the incidence of HIV infection in infants and to provide support to infants who have such infections.

Priority will be given to communities where the incidence of infant HIV infection is substantial and the incidence of HIV among intravenous drug users is high. Secondary consideration will be given to communities where the incidence of HIV infection among intravenous substance abusers is substantial.

Services that may be provided under this grant program include:

Prenatal care for women who are intravenous drug users;

Services and financial assistance to parents of children infected with HIV;

Services and financial assistance to encourage foster care for infants with HIV;

Counseling, education, and testing services for women who are intravenous drug users and who are pregnant or at risk of becoming pregnant, to prevent the transmission of HIV; and

Counseling, education, and testing services for women who are the sexual partners of intravenous drug abusers and who are pregnant, or at risk of becoming pregnant, to prevent the transmission of AIDS; $100 million is provided for grants to prevent the spread of AIDS related to intravenous drug abuse.

Because minority communities are being disproportionately affected by AIDS related to intravenous drug abuse, the bill preference to programs providing services to minority populations in any geographic area where there is substantial intravenous substance abuse.

Projects funded under this provision would include education and counseling outreach projects for intravenous substance abusers and school based and mass media efforts.

AIDS will not simply disappear. If we wait for a cure, many will die unnecessarily. It is only through a concerted effort on the part of all segments of the community and all levels of Government that we can purge our Nation of this disease. AIDS, like small pox and polio, must become a disease of our past, not our present and future. To ensure that this happens, we must recognize the important link between intravenous drug abuse and the spread of AIDS. We must provide treatment for intravenous substance abusers and we must reach out to immunize those communities and populations most threatened by intravenous drug abuse. My bill would respond specifically to these needs.

In closing, I urge my colleagues to join me as a cosponsor of this legislation. It is essential to the preservation of our national health and national security.

Mr. Speaker, I include the Intravenous Drug Abuse and AIDS Prevention Act of 1987 at this point in the RECORD:

H.R. 3292

To establish certain grant programs relating to acquired immune deficiency syndrome among intravenous substance abusers, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Intravenous Substance Abuse and AIDS Prevention Act of 1987".

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) More than 38,000 cases of acquired immune deficiency syndrome (AIDS) have been reported to the Centers for Disease Control, and more than 270,000 such cases are expected to be reported by 1991.

(2) Intravenous substance abusers are the second largest group in the United States that has AIDS. Of the cases of AIDS reported to the Centers for Disease Control, 17 percent are attributable to intravenous substance abuse and such abuse was a risk factor in an additional 8 percent.

(3) HIV (the virus causing AIDS) is transmitted among intravenous substance abusers through the use and sharing of needles, syringes, swabs, or other drug-related implements that are contaminated with blood infected with HIV.

(4) HIV can be transmitted rapidly among intravenous substance abusers in a given geographic area. Once a group of intravenous substance abusers becomes exposed to HIV, such abusers become the primary source for heterosexual transmission and perinatal transmission of HIV.

(5) A disproportionate number of cases of AIDS has occurred among members of minority groups. More than 80 percent of such cases attributable to intravenous substance abuse have occurred among Blacks and Hispanics and more than 90 percent of heterosexual and perinatal transmission AIDS cases related to such abuse have occurred among Blacks and Hispanics.

(6) More than 50 percent of women in the United States who have AIDS developed the disease as a result of intravenous substance abuse. The second largest group of women who are at risk with respect to infection with HIV are women who are the sexual partners of intravenous substance abusers.

(7) Most women with AIDS are in their child-bearing years, and women infected with HIV may transmit HIV to any of their children born subsequent to the mother's infection. In July 1987, the Centers for Disease Control reported a cumulative total of 460 cases of AIDS among children under 5 years of age at the time of diagnosis. Approximately 80 percent of children with AIDS who were infected through perinatal transmission were children of intravenous substance abusers.

(8) Preventing or reducing the transmission of HIV among intravenous substance abusers is essential with respect to preventing or reducing the heterosexual and perinatal transmission of HIV in the United States.

(9) To reduce and prevent the spread of AIDS related to intravenous substance abuse, additional Federal leadership and support is urgently needed to expand treatment for intravenous substance abusers, to promote efforts to prevent pediatric AIDS and provide better care for infants with AIDS, and to establish effective school and community-based AIDS prevention programs.

SEC. 3. ESTABLISHMENT OF GRANT PROGRAM FOR TREATMENT SERVICES WITH RESPECT TO INTRAVENOUS SUBSTANCE ABUSE.

(a) IN GENERAL.—The Secretary of Health and Human Services may make grants to public and nonprofit private entities for the purpose of enabling grantees to provide, in accordance with subsection (b), treatment services to intravenous substance abusers.

(b) REQUIREMENTS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that, in providing pursuant to subsection (a) treatment services to intravenous substance abusers, the applicant will—

(1) make available to such abusers, and to the sexual partners of such abusers, counseling and education services with respect to preventing the transmission of the etiologic agent for acquired immune deficiency syndrome; and

(2) make available to such abusers testing for the purpose of determining whether such abusers are infected with such etiologic agent.

(c) CONSENT TO TESTING.—The Secretary may not make a grant under subsection (a) to an applicant unless the applicant agrees that the applicant will not, as a condition of the receipt of substance abuse treatment services, require that an individual undergo testing described in subsection (b)(2).

(d) REQUIREMENT OF PROVISION OF SERVICES IN CERTAIN GEOGRAPHIC AREAS.—The Secretary may make grants under subsection (a) only to applicants that will provide services under the grant in a geographic area in which, in the determination of the Secretary—

(1) the incidence of intravenous substance abuse is substantial relative to such incidence in other geographic areas; and

(2) the incidence, among intravenous substance abusers, of infections with the etiologic agent for acquired immune deficiency syndrome—

(A) is substantial relative to such incidence in other geographic areas; or

(B)(i) is insubstantial relative to such incidence in other geographic areas; and

(ii) may be prevented from becoming substantial if sufficient treatment, counseling, and education services are provided to intravenous substance abusers.

(e) ALLOCATION OF AMOUNTS AVAILABLE FOR GRANT PROGRAM.—Of amounts available pursuant to subsection (f), the Secretary shall—

(1) reserve 75 percent for grants under subsection (a) to applicants that will provide services under the grant in geographic areas described in paragraphs (1) and (2)(A) of subsection (d); and

(2) reserve 25 percent for grants under subsection (a) to applicants that will provide services under the grant in geographic areas described in paragraphs (1) and (2)(B) of such subsection.

(f) FUNDING OF GRANT PROGRAM.—Of the amounts appropriated pursuant to section 7, the Secretary shall reserve 50 percent for the purpose of carrying out this section.

SEC. 4. ESTABLISHMENT OF GRANT PROGRAM FOR SERVICES AND ASSISTANCE FOR REDUCTION AND PREVENTION OF ACQUIRED IMMUNE DEFICIENCY SYNDROME AMONG INFANTS.

(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities for the purpose of enabling grantees to carry out demonstration projects for reducing or preventing the incidence in infants of infections with the etiologic agent for acquired immune deficiency syndrome and for providing support to infants who have such infections.

(b) PREFERENCES IN MAKING GRANTS.—The Secretary shall, in making grants under subsection (a)—

(1) give first priority to qualified applicants that will provide services under the grant in any geographic area in which, in the determination of the Secretary—

(A) the incidence in infants of infections with the etiologic agent for acquired immune deficiency syndrome is substantial relative to such incidence in other geographic areas; and

(B) the incidence, among intravenous substance abusers, of infections with the etiologic agent for acquired immune deficiency syndrome is substantial relative to such incidence in other geographic areas; and

(2) give second priority to qualified applicants that will provide services under the grant in any geographic area described in paragraph (1)(B).

(c) PROVISION OF CERTAIN SERVICES.—Grantees under subsection (a) may expend grant funds—

(1) to provide for prenatal care for women who are intravenous substance abusers;

(2) to provide for prenatal care for women who are the sexual partners of intravenous substance abusers;

(3) with respect to the parents of infants infected with the etiologic agent for acquired immune deficiency syndrome, to provide services and financial assistance to parents for the purpose of aiding parents in caring for, and providing support to, such infants;

(4) to provide services and financial assistance with respect to encouraging foster care for such infants and other means by which such infants can receive care and support in settings other than hospitals;

(5) with respect to women who are intravenous substance abusers and who are pregnant or at risk of becoming pregnant, to make available to such women counseling and education services with respect to preventing the transmission of the etiologic agent for acquired immune deficiency syndrome and to make available to such women testing for the purpose of determining whether such women are infected with such etiologic agent; and

(6) to make such services and such testing available to women who are pregnant, or at risk of becoming pregnant, and who are the sexual partners of intravenous substance abusers.

(d) FUNDING OF GRANT PROGRAM.—Of the amounts appropriated pursuant to section 7, the Secretary shall reserve 25 percent for the purpose of carrying out this section.

SEC. 5. ESTABLISHMENT OF GRANT PROGRAM FOR PREVENTION OF ACQUIRED IMMUNE DEFICIENCY SYNDROME RELATING TO INTRAVENOUS SUBSTANCE ABUSE.

(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities for the purpose of enabling grantees to provide counseling and education services with respect to preventing the transmission of the etiologic agent for acquired immune deficiency syndrome directly or indirectly through intravenous substance abuse.

(b) PREFERENCES IN MAKING GRANTS.—The Secretary shall, in making grants under subsection (a), give preference to qualified applicants that will provide services under the grant to minority populations in any geographic area in which, in the determination of the Secretary, the incidence of intravenous substance abuse is substantial relative to such incidence in other geographic areas.

(c) PROVISION OF CERTAIN SERVICES.—Grantees under subsection (a) may expend grant funds—

(1) to provide counseling and education services described in such subsection through outreach services to intravenous substance abusers; and

(2) to provide education services described in such subsection through the dissemina-

tion of information throughout the geographic area involved, including dissemination in school systems and through means of mass communication.

(d) FUNDING OF PROGRAM.—Of the amounts appropriated pursuant to section 7, the Secretary shall reserve 25 percent for the purpose of carrying out this section.

SEC. 6. GENERAL PROVISIONS.

(a) REQUIREMENT WITH RESPECT TO INCREASE IN SERVICES.—The Secretary may not make a grant under any of sections 3 through 5 to an applicant unless the applicant agrees that the applicant will not expend amounts received under the grant involved to supplant any funds otherwise available to the applicant for the purpose for which such grant is to be made to the applicant.

(b) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under any of sections 3 through 5 to an applicant unless the applicant has submitted to the Secretary an application for the grant involved. The application shall, with respect to carrying out the purpose for which the grant is to be made, provide assurance of compliance satisfactory to the Secretary and shall otherwise be in such form, be made in such manner, and contain such information and agreements as the Secretary determines to be necessary to carry out such purpose.

SEC. 7. AUTHORIZATIONS OF APPROPRIATIONS.

For the purpose of carrying out this Act, there are authorized to be appropriated $400,000,000 for fiscal year 1987 and such sums as may be necessary for each of the fiscal years 1988 through 1990.

SEC. 8. DEFINITIONS.

For purposes of this Act:

(1) The term "intravenous substance abuse" includes substance abuse through subcutaneous injection and intramuscular injection.

(2) The term "Secretary" means the Secretary of Health and Human Services.

FINANCIAL DISCLOSURE FOR CONGRESSIONAL STAFF WITH SECURITY CLEARANCES

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. WORTLEY, Mr. Speaker, over the last few years, our country has faced a distressing number of espionage cases as well as the continuing problem of leaks of national security secrets. The debacle at the U.S. Embassy in Moscow is still another reminder that we are not vigilant enough when it comes to our Nation's security.

We expect other governmental institutions to maintain strict oversight of their employees who hold security clearances. Why shouldn't Congress keep track of its own employees with security clearances? It's time we in the Congress set an example for a standard of conduct and put our own house in order to help prevent future breaches of security. To that end, I am reintroducing legislation amending the 1978 Ethics in Government Act to require that all legislative branch employees with a security clearance of secret or higher file a financial disclosure statement with the appropriate officials in the Congress.

Financial disclosure will help prevent the temptations involved in having access to national security secrets which could be extremely valuable to our enemies. Disclosure forms are filed under oath, and an intentional falsification or omission could subject the filer to criminal penalties. This would help discourage congressional employees from engaging in even the most casual agreement with foreign agents. At the very least, the forms could disclose to the appropriate officials information that could cause a reinvestigation of an individual.

I believe financial disclosure statements are a basic way to keep track of those persons with security clearances. To be sure, most employees who are granted security clearances would not dream of compromising our national security, but it often only takes one person to do a lot of damage. I believe a financial disclosure statement would keep a check on those individuals who may be tempted by the promise of big money or who are being manipulated, possibly blackmailed, to divulge secrets.

The privilege of receiving a security clearance carries with it a responsibility to our country. Financial disclosures are presently required by law for Members of Congress and a key staff member of each Member. Is it any less important to require an annual disclosure from those individuals who are exposed to our country's most valuable secrets?

It is time for the Congress to take a first step in stopping the flow of sensitive information to our adversaries. I hope my colleagues will join me in support for this legislation.

AN INTERVIEW WITH COMMANDANTE DANIEL ORTEGA

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. SOLOMON. Mr. Speaker, the Associated Press tells us that the next issue of Playboy magazine will publish an interview with Commandante Daniel Ortega, who is quoted as saying he "would really like to be doing what Che (Guevara) did"—in other words, spreading Marxist revolution throughout the Western Hemisphere.

We've also been reading that Commandante Ortega plans to visit his masters in Moscow November 7, the very day that the Guatemala City peace plan is to take effect. And now we read that you, Mr. Speaker, think this display of utter contempt for the West will, and I quote, "have the effect of producing less dependence on Moscow and Havana."

Mr. Speaker, I'm sure you treat mules in Texas the same way we treat them in upstate New York. Sometimes we have to hit them in the head with 2-by-4's a few times before they get the message. I really don't know how many times Communists have to tell us they are Communists, dedicated to world revolution, before we believe them. Perhaps it will be when the Sandinistas show up at your district office, which is a lot closer to Managua than it is to Albany. You might want to keep that in mind when you read the interview.

IN HONOR OF THE 40TH ANNIVERSARY OF THE SCHOOL OF VISUAL ARTS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. GREEN. Mr. Speaker, it is my pleasure and honor to report that the School of Visual Arts, located on East 23d Street in my district, is celebrating its 40th anniversary this year, and began its observance Monday in fine fashion with an exhibition of poster art at the Cooper-Hewitt Museum (also within the district), the Smithsonian Institute's National Museum of Design.

The Nation's largest degree-granting, independent art college with over 6,000 students, the School of Visual Arts pioneered, and maintains today, a teaching philosophy of hiring only working professionals. With a faculty of 650, the school boasts an instructor-pupil ratio of better than 10:1, and has numbered among its teachers some of the most renowned design artists of this century, such as Milton Glaser, Marshall Arisman, Paul Davis, and Bob Giraldi to name but a few. With the benefit of such caliber of instruction, it is no wonder that 87 percent of every graduating class are working in their major fields within a year. Some 2,200 full-time undergraduates, the most talented of whom are offered generous scholarships, take courses in six major subjects: art education, film, fine arts, media arts, photography and journalism. The master's of fine arts degree is also offered, and the school is admirably committed to continuing education, with some 4,000 adults enrolled.

Perhaps most important, however, has been the SVA's contribution to art in the public domain, especially in the subways. While "underground" in the most literal sense, this art could hardly have a more broad-based audience since the subways are ridden by millions daily. The posters have moved beyond their original forms of simple institutional advertising to take on wider concepts, with the most outstanding of the diverse array of the past four decades going on display this week. I expect that the decades to come will feature more innovation and creativity from the cream of the country's design talent, and under the guidance of Silas Rhodes, the founder and current chairman of the board, and his son David, the current president, the School of Visual Arts will continue to flourish as one of New York's most vital artistic forces.

BERLIN, PA, SESQUICENTENNIAL

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. MURTHA. Mr. Speaker, I am very pleased to recognize the celebration of the 150th anniversary of Berlin, PA.

In recognizing such historical moments, we remember our past as a way to learn about

our present and future. We have underway in Somerset County and eight other counties in western Pennsylvania, a major historical tourism project that recognizes the contributions of that area to America's industrial growth. The people of Berlin made a major contribution to that growth.

In this ceremony we remember the people of those 150 years who contributed to our region and to America. These are our ancestors that mined the coal that fueled our Nation, started the farms that made us the breadbasket of the world, labored in the mills and factories that made us an industrial power, and started the traditions of family, loyalty, and honor that are the cement of America's character.

It is always amazing to me to think back and realize that over the last 150 years, the people of a community like Berlin have seen America withstand a Civil War, send its young men to fight in two World Wars and other conflicts, suffer through depression, recession, and natural disaster, and see America and the region challenged from a hundred different directions. But in seeing what the ancestors of Berlin have overcome and the challenges they have met, it is a reminder to us all that deep in the American fabric rests the characteristics to see us through whatever present and future crises we face.

My congratulations to the Berlin community on its sesquicentennial, and continued good wishes for the people of the community.

WINPISINGER CALLS FOR FAIR TRADE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. VENTO. Mr. Speaker, the national debate on how to effectively restore fair trade and reduce our unprecedented trade deficit continues. There are, of course, many different views on how our Nation should respond to this serious problem. Many different points of view were recently expressed at the Second Annual Global Logistics Symposium at Princeton University. During this symposium, more than 20 leaders from business, labor, academia, and government met to discuss international trade issues and how they affect our Nation's economic future.

One of the more provocative and throughtful addresses to the symposium was delivered by William W. Winpisinger, president of the International Association of Machinists and Aerospace Workers. Mr. Winpisinger's call for "a level playing field" in international trade is compelling and persuasive. I ask unanimous consent that Mr. Winpisinger's remarks be printed in the RECORD.

The remarks follow:

NOTES FOR REMARKS BY WILLIAM W. WINPISINGER

(International President, International Association of Machinists and Aerospace Workers)

We thank the Center for Logistics and Transportation for this opportunity to present a trade union view on global logistics and international economics. It will be an unaccustomed experience to attempt to beard the lion in its den.

I'll waste no time in putting our position up front.

We detect not a little chicanery and hypocrisy in discussing the current competitiveness craze in terms of economic nationalism, when, in fact, the primary actors and agents in the game are multinational corporations (MNCs). Certainly, U.S.-based MNCs claim no allegiance to country or government. Rather, they fly a flag of convenience in bottom-line quest for market penetration or domination, resource control, cost-minimization/profit-maximization, or all of the above.

Here's a viewpoint that seldom—almost never—gets presented to officialdom or the public at-large. When U.S. based MNCs buy into; co-produce with; transfer capital, technology and management to; invest in or otherwise make direct foreign investment for production offshore (goods or services); but for sale back in the home market, then in terms of economic nationalism, America's "competitiveness" is enormously deprived, while that of our "competitors" is greatly enhanced.

As long as this uninhibited free flow of largely private capital and technology persists for purely private reasons, then U.S. "competitiveness will remain anemic, for the obvious reason that U.S.-based MNCs are also foreign competitors.

Their corporate balance sheet and income statement compete against our national income accounts and balance of payments. Those MNC ledgers also compete against the bottom-line standard of living of most working and unemployed citizens here in the home economy.

With the trade deficit currently standing at somewhere around $170 billion and probably another third of that amount escaping Customs and Census Bureau accounting—which red ink continues to hemorrhage and coagulate on the Special Trade Representative's doorstep—then the "competitiveness" craze seems likely to become chronic and maybe even deteriorate into some severe form of economic psychosis. (For whatever its worth, we don't expect the Federal Reserve Board with Alan Greenspan, Barbara Walters, and a new brand of Broadway Economics to escape the phychosis. A Right Wing Reaganite majority on the FRB, seems determined to continue to keep Economics a nasty and brutish pseudo-science—a new media star Chair notwithstanding).

Within the parameters of orderly and fair trade—fair meaning that labor as a factor of production has at least equal priority with capital and management—we believe corporate sovereignty and behavior must be licensed in the national interest in terms of national needs, priorities and values. U.S. International trade policy ought to be complementary, not contradictory, to our domestic policies and priorities.

Our major trade competitors play the game that way, and they're enjoying trade surpluses, not trade deficits.

On the other hand, Newly Industrialized Countries (NICs) and Lesser Developed Countries (LDCs) in almost all cases enjoy an authoritarian's "comparative advantage" of substandard civil, human, political, labor and trade union rights. Environmental, safety, health and protections against hazardous and toxic industries are lacking or substandard, too.

In all trade deals, agreements, and treaties, uniform and parity standards to raise ecological, environmental, human and labor rights, and to enhance living standards ought to be a condition precedent to free entry of goods and services into the U.S. market. Specifically, we believe signatory nations of the General Agreement on Tariffs and Trade (GATT) should impose trade sanctions on the products of nations whose businesses and corporations violate fundamental economic, political and social rights.

It is ironic that some 73 nations have agreed to trade sanctions on countries that violate agreements to protect wild animal life, but none has yet been willing to strike a similar bargain to protect human beings.

Without those measures, the global economy will continue to be exploited rather than developed. And the new MNC global sovereignty linked and allied with authoritarian regimes in NICs and LDCs, will continue to undermine effective demand—not to mention democracy—in our domestic economy, while failing to build and expand new consumer-based markets in the exploited ones.

It is a "zero-sum" game, the rules of which can and must be changed.

We notice that much of this current competitiveness craze is based on a cost-cutting binge. Academics and management officials alike will surely pardon us if we point out that it is a basic economic principle that cost-cutting in and of itself creates no economic growth nor new wealth. Cost-cutting, too has its point of diminishing return and optimal effect. In particular, when cost-cutting is applied almost universally to labor and to substituting other factors for labor, maximum efficiency equations and goals may be achieved at the expense of aggregate effective demand and a market that can buy that which it produces.

In other words, how many cars, TV sets and personal computers can Koreans, Indonesians and Mexicans buy for personal consumption on wages of 50 cents an hour or less and some food rations? And assuming this globalization of production process continues over another decade—as most MNC moguls and their free-trader allies in academia and government vow it will—how long before low-wage deindustrialized U.S. workers cannot buy imports—cheap or otherwise?

Alabama, after all, implemented a cheap-wage, anti-union economic development strategy in 1936. It was an undeveloped economy then, and it is still undeveloped fifty years later.

Globally, struggling people in the Southern Hemisphere are not apt to wait 50 years more for a free-trade system to improve their lot.

For those who protect MNCs and international capital by raising the twin spectres of protectionism and Smoot-Hawley tariffs, we suggest they dig a little deeper into modern economic history. The causes of economic protectionism and Smoot-Hawley legislation were directly linked to a fanatical free-market dogma that espoused the primacy of capital and management, supply-side economics, extensive substitution of technology for human labor, and a massive almost universal cost-cutting binge against wages.

More than one economic historian has long since concluded that long term and persistent destruction of the labor economy, and, hence, the undercutting of effective demand and the consumption function, were what really led to economic protectionism at the onset of the Great Depression.

Then, as now, the federal government in the U.S. abdicated responsibility for establishing rules of the trade game and left international commerce to the fates of a

free market mythology and the whims of purely private interests, the public interest be damned. It didn't work in the 1920s and it won't work in the 1980s.

There must be government intervention to protect labor and consumer interests, as well as capital, management and producer interests. We note that intervention apparently is not a bad move when it comes to correcting the excesses of fluctuating exchange rates and shoring up battered currencies, including the dollar. Indeed, the notion that a purely competitive world exists is silly in the face of reality. The reality is that transnational oligopolistic enterprises and international cartels are the dominant players in world-wide markets. They're not moving to promote competition. They're hell-bent on eliminating it.

So all the flak we hear about "competition" and "competitiveness" is illusory, if not downright deceitful and hypocritical.

What this country really needs right now is not less government and more corporate ramboism. It needs something like a Temporary National Economic Council to examine and reconsider the theoretical underpinnings, the institutional relationships and structures, and, above all, the practices of the international trading system. We need more systems analysis and less blind dogma guiding our trade apparatus and trade policies.

And that systems analysis must factor-in human values as well as the amoral equations of bionic economists and their econometric models.

In calling for this analysis and examination, we can look to at least one of the Big Three bionic economists to support us. Data Resources International's (DRI) own Otto Eckstein called for just such a thoroughgoing analysis in a 1984 report on U.S. manufacturing industries.

Said Mr. Ekstein in that report, "There are so few exceptions to the decline of the international positions of the U.S. manufacturing industries that one must seek . . . general causes that act on the entire American economy." There's a call for trade systems analysis if ever we've heard one.

Perhaps none in academia has made the point quite as forcefully or succinctly as Bruce Scott and George C. Lodge in their boo, "U.S. Competitiveness in the World Economy." "Declining U.S. competitiveness is evident in a shift from decades of trade surpluses to substantial deficits, eroding market share in almost all sectors, and declining profitability since the late 1960s.

"In addition, real, after-tax earnings of American workers have been declining since they peaked in 1972-73."

Scott and Lodge continue to make our point, when they declare, "A clear concept of national competitiveness is essential to diagnosing the problem. U.S. competitiveness means the ability to employ U.S. resources, both human resources and capital resources, so that Americans earn increasing returns while in open competition with other countries."

Finally, Scott and Lodge call for our analysis and examination of the relationships and linkages of our domestic economy with the emerging global one: "Unless the United States re-examines and modifies its basic economic strategy, it cannot expect to finance its commitments to leading the Western Alliance, increasing the domestic standard of living, and improving the distribution of income."

There you have it. We trust it isn't too disturbing to Princetonians that we've cited Harvard scholars and alumnus to back our cause. Point is, learned scholars in the rarefied reaches of academia are beginning to cut through the fog and smokescreen of free market mythology and are discovering reality to be remarkably similar to the way Machinists and working people have been describing it these past half-dozen years or more.

If Harvard can begin to see things our way, Princeton can't be far behind. Or is it already ahead?

That last line of Scott and Lodge's, about the U.S. continuing to lead the Western alliance brings up an increasingly key component of international economics, which is seldom included in the academic, corporate or government discussions. (Or any phalanx thereof, to be more precise). The neglected component of the analysis and discussion of international trade and the global economy is the link between disarmament and development.

In her annual series of excellent statistical study, entitled, "World Military and Social Expenditures," Ruth Sivard tells us that since 1960, world military expenditures have increased faster than the world's aggregate GNP per capita.

Military expenditures have more than doubled per capita (in 1983 dollars) since 1960, while GNP per capita has barely increased by half. The increase in the world's economic product over the 1960 to 1983 period amounted to a net $8.6 trillion. The growth in military expenditures during the same period was $14 trillion.

This means that military expenditures have outpaced the economic expansion on which rapidly growing population depends for improved living conditions.

The gap between the pace of the arms build-up and the growth in GNP per capita has become even more pronounced in the last three years.

As Ms. Sivard tells us, "Behind the numbers is the pain of millions of lives lost to neglect as well as to violence."

Last year, under the auspices of the United Nations, a joint declaration by a panel of 15 internationally renowned economists, which included Nobel Prize Laureate Lawrence Klein of the U.S., Walter Scheel of the Federal Republic of Germany and Inga Thorsson of Sweden, concluded that in a world of increasing interdependence, global politics is being reshaped in a way that defines security as much in economic as in military terms.

"The time has come to take into account the existence of an array of non-military threats to security in such forms as sharply dimished prospects for economic growth and social development, large scale unemployment, resource scarcity, threats to food security and severe environmental degradation," the panel stated.

"Scarce resources are better put to the formidable task of improving living standards than to military build-up."

Therefore, ". . . there is sufficient civilian need in the world which, if turned into effective demand, is a viable instrument of economic stimulation in recessionary conditions, and a feasible stimulator of research and development," according to those distinguished observers.

Still, too many policy makers and policy advisors here in the U.S. continue to think and act as if only the military sector can promote economic development. Tell that to the Vietnamese. Tell it to Central Americans. Tell it to Grenadians. Tell it to those Middle Eastern and South African and South American people who are and have been subjected to military models of development.

Certainly, the Reagan Administration puts all its stock into a military version of Lord Keynes' model. What's more, The Reagan Administration has refused to participate in the UN General Assembly's International Conference on the Relationship Between Disarmament and Development scheduled in Paris from July 15 to August 2 this year. The Administration's argument is that disarmament and development are separate issues, with no connection.

We reject that line out of hand. In a world of finite resources, and the threat of nuclear armageddon (with smart "conventional" weaponry no less destructive when taken in totality) the sensible assumption for a global political and economic strategy must be to reallocate resources away from military purposes towards socio-economic development.

Now that the U.S. is dependent on foreign credit to sustain its excessive militarism, conversion from a military to a civilian-based domestic economy and international trade system is no longer solely a moral imperative. It is a political and economic imperative. And that dependency on foreign credit inextricably links development with disarmament.

In an interdependent world, neither the developed nor the Newly Industrialized nor the Less Developed nor the Undeveloped countries can escape the consequences of global militarism and its economic costs.

Excessive militarism is responsible for much of U.S. "competitive" problems. The folks who are beating our socks off in the trade sweepstakes don't have to devote 55 percent of their public revenues to building and sustaining a gold plated Rube Goldberg military machine.

And that too has to be considered in any intelligent discussion about the world economy and the current competitiveness craze.

Thank you.

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TAX TREATMENT OF PICK AND ROLL GRAIN

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. DAUB. Mr. Speaker, yesterday I introduced a bill to more fairly deal with the income earned when a farmer does the "PIK and roll." No, it's not a new basketball play done in the corn field, but when it comes to describing the IRS's ruling on the topic I can't help but cry foul. Revenue ruling 87-17 requires a farmer who uses PIK certificates to redeem Commodity Credit Corporation [CCC] loan grain, to treat the transaction as though the certificates had been sold to the CCC. In short, the IRS considers this transaction to be income producing, requiring the farmer to pay income tax on the amount during the year of the loan repayment. Clearly, this is not income to the farmer, but rather is the repayment of a loan. Taxable gain should not be recognized by the farmer until the underlying collateral, the grain, is sold and not when a loan is repaid.

The ruling is particularly unfair because it was not announced until March 1987, after many farmers had already relied on the old rules and completed their PIK and roll transaction. The result is that many 1986 tax returns should include income from farmers' 1985 and 1986 crop. The 1985 crop would have been deferred until 1986 under section 77 of the Internal Revenue Code. If a farmer did a PIK and roll in 1986, under the ruling the repayment of the loan would also be included in their 1986 return, resulting in a doubling-up of income in 1 year.

My bill would place the farmer back in the position he was in prior to the IRS ruling, with one addition; that is, the farmer could elect to have the tax apply 9 months after the date the loan was originally received. This election is based on the similar rule which requires a CCC loan to be included in income after 9 months when the loan lapses. Under my bill, the farmer can also elect to take the gain into income when the loan is repaid, as in the IRS ruling, or when the commodity used to collateralize the loan from the CCC is finally sold. Most importantly, without the passage of this bill many farmers will be faced with the unexpected and unfair result that they will have to recognize income from two crop harvests in a single year.

GLASNOST

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. YATRON. Mr. Speaker, today the United States and the Soviet Union signed a pact in an attempt to reduce the risk of war. Certainly, all of us who value peace and human life cannot help but be encouraged by initiatives such as these. Soviet Foreign Minister Eduard Shevardnadze quoted in the September 16 edition of the Washington Post said, "I would like to think that this small gulp of hope is a prelude to a quenching of the global thirst for peace and security." Even though I long for this gulp of hope, in fact many gulps of hope, there are reasons why my thirst will not yet be satisfied.

I remain concerned about the human rights situation in the Soviet Union, in particular, the plight of Soviet Jews. Although the number of Jews emigrating from the Soviet Union is increasing and anti-Semitism is not as evident in current official policy, the issue of Jewish emigration and national rights has yet to be fully resolved. "Glasnost" will have positive effects on Soviet Jewry if it is fully implemented, but international pressure must continue so this goal can be realized.

The Soviet Union is sensitive to external criticism of its domestic practices. Mr. Gorbachev is very aware of Western concern about Soviet Jewry. He understands that compliance with the provisions of the Helsinki accords pertaining to emigration and family reunification are important to the image of the Soviet Union he seeks to export to the free world. It is, therefore, incumbent upon us to make sure human rights remains a priority in our negotiations, and to continually remind Soviet authorities of their obligations to their citizenry.

Before we can trust the word of any government, we must look to those who are governed. If the promise of liberty and justice has been denied them, how then will the promise of a reduction in arms be afforded to us.

TAKE THE AVIATION TRUST FUND OFF BUDGET

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. HOWARD. Mr. Speaker, the Committee on Public Works and Transportation will seek a waiver from the Rules Committee on Tuesday to allow an amendment to be offered on the floor to remove the airport and airway trust fund from the congressional budget process.

The increasing frustration of the American public with flight delays as well as the growing concern with safety problems make this move imperative. The unobligated balance of almost $6 billion should be spent on airport expansion and safety projects and the modernization of the antiquated air traffic control system.

The aviation trust fund is fully funded by dedicated taxes paid by users and benefiters of the aviation system. The money cannot be spent for any other purpose and it is deceptive bookkeeping to attempt to use each year's unspent surplus for deficit reduction purposes.

The increasing support for increased aviation spending has been demonstrated in newspaper editorials throughout the country. In the latest, which I submit for the RECORD, the New York Times on September 13 endorsed removing the aviation trust fund from the budget.

The article follows:

[From the New York Times, Sept. 13, 1987]

FREE THE AVIATION BILLIONS

Stung by charges that she has mismanaged the nation's air transportation system, Secretary of Transportation Elizabeth Dole blames Congress. It is responsible for the unspent $5.6 billion in the Aviation Trust Fund, she says, and thus for increased congestion and delay.

Mrs. Dole is partly right. But so are her critics. The nation's interest lies less in refereeing the dispute than in clarifying how the trust fund is to be used and *using* it. The best way would be to move the fund entirely out of the Federal budget.

About $3 billion a year collected through an 8 percent tax on airline tickets and other aviation consumption feeds the trust fund, which is sequestered by law for use in the nation's aviation system. Most of the money goes for capital purposes—equipment and facilities; airport construction and improvement; research and development. But the fund also pays for nearly half the Federal Aviation Administration's operating budget.

Despite the restrictions, however, Congress still must appropriate money from the fund each year, just as it does the Government's other funds, and the appropriation counts in the general deficit accounting. Mrs. Dole says Congress has appropriated less than the Administration has requested and less than the law authorizes for equipment and facilities. This has triggered a penalty provision designed to assure that the fund is used mostly for capital expenses as opposed to operations. For every dollar that capital spending falls below authorized levels, the F.A.A. loses two trust fund dollars for operations and must draw on the general Treasury.

Congressional spokesmen, Democratic and Republican, reply that Mrs. Dole's charge of underfunding ignores the realities of the appropriations process. The President can get away with offering a budget that gives nothing for some functions and fully funds others, like the F.A.A. But politically, Congress could not pass a budget that didn't give something to each function, even if that means funds for all fall short.

It is absurd that an issue of such importance to so many should come down to a debate over the arcana of Federal budgeting. Setting up a trust fund but leaving it subject to annual appropriation invites confusion, abuse and backbiting. The Aviation Trust Fund ought to be taken entirely out of the budget, perhaps put in a new quasi-governmental agency. That would finally let the nation's travelers buy the air transportation system they thought they had been paying for.

MEDICARE HOSPITAL PAYMENT POLICIES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. HUBBARD. Mr. Speaker, I have recently received a July 27 letter from my friend and constituent Michael L. Graue, administrator of HCA Logan Memorial Hospital in Russellville, KY, which I would like to share with my colleagues.

Mike Graue has contacted me about his views with regard to the budget reconciliation

package as it relates to Medicare. His views have merit and deserve the attention of my colleagues.

I hope my colleagues will take a few minutes to read and consider his excellent and thoughtful comments. The letter to me from Mike Graue is as follows:

JULY 27, 1987.

HON. CARROLL HUBBARD,
Congress of the United States, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE HUBBARD: With Congress near agreement on the fiscal year 1988 budget resolution, it is my understanding that authorizing committees soon will meet to draft substantive provisions needed to meet budget savings targets in the resolution.

I am writing to express my views and concerns about matters likely to be considered during reconciliation regarding Medicare hospital payment policies. Decisions on these issues are of critical importance to our hospital, its future and its ability to serve the community. Logan Memorial Hospital is a 100 bed acute care facility that is classified as a rural hospital. Since you were a part of the dedication program for our new hospital 2 years ago, I know you are familiar with the community and the service area. Our patient load at present is 61 percent Medicare. These issues are vital to our existence.

First, hospitals must be provided with a reasonable increase in Medicare prices under the prospective payment system [PPS], at least equaling inflation in the hospital marketplace minus 2 percent. Moreover, efforts to "rebase" PPS, and drastically cut payments by recalculating the base used to set prices, must be avoided. Rebasing would be predicated on inadequate and invalid data and would undermine the system's incentive for efficiency.

PPS price increases have been extremely small over the past few years—0.2 percent in fiscal year 1986 and 1.15 percent in fiscal year 1987. In fact, inflation in the hospital marketplace has totaled 19.5 percent since fiscal year 1984 when the system began, but PPS prices have risen only 9.0 percent—10 percentage points or 50 percent less than initially promised by Congress.

Second, current Medicare payment methodology for hospital capital expenses should be maintained. Congress should defer action to incorporate capital in PPS for at least 2 years and prohibit the Secretary of Health and Human Services from issuing regulations that accomplish such an objective. Without specific congressional action to bar implementation of these regulations, HHS rules will take effect automatically and radically change the method Medicare uses to reimburse hospital capital expenses.

When PPS was enacted, capital costs were excluded because no one knew how best to fold such costs into prices. A solution is no closer today. Currently available information suggests that the only method of paying for capital that provides reasonable assurance of adequacy and equity is a continuation of current methodology. None of the proposed methods of paying for capital yields adequate and equitable payments.

Moreover, incorporation of capital in PPS is not needed to control new capital expenditures. Just last year, through enactement of the Omnibus Budget Reconciliation Act of 1986 (Public Law 99-509), Congress took steps to restrain hospital capital payments. PPS incentives to control operating expenditures, combined with private-sector efforts to limit health care spending growth, already have limited capital expenditures to necessary projects.

Also realizing PPS potential depends on whether the system can offer assurance that payment will be adequate and equitable. Continuation of a 21 percent differential between urban and rural PPS prices is inequitable given changes in utilization patterns since 1982. Consequently, the rate of increase in fiscal year 1988 PPS prices for rural hospitals should be approximately 4 percent more than the increase in urban hospital prices to appropriately reduce the differential.

Because of declining volume, changing case mix and other factors, rural hospitals have a definite disadvantage. Essential hospitals should qualify for sole community provider designation—granted when an institution is the sole source of inpatient hospital services reasonably available to individuals in the area. Medicare payments also should reflect these hopitals' special needs, particularly when patient volume drops substantially and increased funds are needed to cover fixed costs to keep the facility open.

Criteria for determining whether a hospital is a sole community provider should be expanded to include all hospitals in counties where there are no other hospitals, or that are more than 25 miles or 40 minutes from another hospital. The sole community provider should have the option of selecting from two payment alternatives for a three year period: (1) current law retaining the 25 percent hospital-specific/75 percent regional price blend and special low-volume adjustment; or (2) full national rates with low-volume adjustment protection.

Periodic Interim Payments should be maintained for all providers now eligible. A policy change will result in a claims reimbursement slow-down.

Diagnosis Related Groups [DRG's] should be refined to more accurately reflect patients' severity of illness.

I appreciate your taking the tme to read this letter and consider my views and concerns. If you have questions or require additional information, I trust that you or your staff will feel free to contact me.

Sincerely,

MICHAEL L. GRAUE,
Administrator.

QUIZ ON THE U.S. CONSTITUTION

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. FASCELL. Mr. Speaker, we are currently celebrating the 200th anniversary of one of our Nation's most remarkable and lasting achievements—the Constitution. During my recent Labor Day picnic in Miami, an annual tradition which I have celebrated with my constituents for the past 37 years, I distributed a quiz on the constitution for all to enjoy. This challenging quiz was prepared by Mr. Pat Collins, a highly respected teacher of 11th grade U.S. Government classes at Belen Jesuit Preparatory School in Miami. I am submitting the quiz for the RECORD today for the education and enjoyment of our colleagues here in the House. I hope that many of you will take the opportunity to research these challenging questions. For those of you who need a little extra assistance in mastering these important constitutional questions, I will provide the answers to the quiz at some future date.

CONSTITUTION TRIVIA QUIZ

(Skill Level: "Juniors")

1. The first part of the United States Constitution is called:
1. The Preamble
2. The Introduction
3. The Opening

2. The first words of the Constitution are:
1. "In the beginning . . . ."
2. "Once upon a time . . . ."
3. "We the People . . . ."

3. The Constitution was written in the year:
1. 1776
2. 1787
3. 1812

4. The Constitution was written in the city of:
1. New York
2. Washington, D.C.
3. Philadelphia

5. The number of Articles in the original Constitution is:
1. Seven
2. Ten
3. Twenty

6. The first Article of the Constitution is about the:
1. Congress
2. President
3. Courts

7. The first ten Amendments to the Constitution are called the:
1. Articles of Confederation
2. Northwest Ordinance
3. Bill of Rights

8. Secretary William Jackson and —— delegates signed the Constitution.
1. 39
2. 42
3. 55

9. The number of states in the United States of America at the time of the Constitution was:
1. 48
2. 27
3. 13

10. The oldest constitution in the world today belongs to:
1. Italy
2. The United States
3. France

(Skill Level: "Patriot")

1. The "Father of the Constitution" is:
1. George Washington
2. John Hancock
3. James Madison
4. Thomas Jefferson

2. Complete the phrase: "We the People of the United States, in Order to form a more perfect ————, establish ————, insure domestic ———— . . ."
1. Country, Justice, Peace
2. Union, Justice, Tranquility
3. Union, Liberty, Welfare
4. Nation, Justice, Tranquility

3. The Great Compromise at the Federal Convention resulted in:
1. 3 branches of government
2. a bicameral legislature
3. the electoral college
4. preserving the slave trade

4. The delegate who proposed to have a President with a lifetime term:
1. Alexander Hamilton
2. George Mason
3. George Washington

4. Elbridge Gerry
5. The Constitution was completed and signed on:
1. September 17, 1787
2. September 7, 1787
3. July 4, 1787
4. July 4, 1776
6. The 85 essays written by James Madison, Alexander Hamilton and John Jay in support of ratifying the Constitution are called:
1. Common Sense
2. The Social Contract
3. The Federalist Papers
4. The Centinel
7. The first state to ratify the Constitution was:
1. Pennsylvania
2. Virginia
3. Connecticut
4. Delaware
8. The Constitutional principle of establishing three branches of government (Executive, Legislative, and Judicial) is called:
1. federalism
2. separation of power
3. parliamentary
4. popular sovereignty
9. The First Amendment to the Constitution provides for:
1. freedom of speech and press
2. freedom of asembly and petition
3. freedom of religion
4. all of the above
10. Today the United States Constitution is preserved in:
1. The Library of Congress
2. The Museum of American History
3. The National Archives
4. The White House

(Skill Level: "Founding Father")

1. The Secretary of the Federal Convention of 1787 was:
1. James Madison
2. George Washington
3. William Jackson
4. Charles Pinckney
2. The number of delegates who attended the Federal Convention was:
1. 74
2. 55
3. 42
4. 39
3. The Virginia Plan was introduced to the Convention by:
1. William Paterson
2. Edmund Randolph
3. John Blair
4. George Mason
4. "The United States shall guarantee to every State in this Union a _____ form of government." (Article IV):
1. republican
2. democratic
3. federal
4. fair
5. The Committee of Style and Arrangement put the Constitution in its final literary form. The delegate most responsible for that work:
1. Gouverneur Morris
2. William Jackson
3. Rufus King
4. William Samuel Johnson
6. George Mason of Virginia refused to sign the Constitution because:
1. the states were weakened
2. he hated Alexander Hamilton
3. there was no Bill of Rights
4. all of the above
7. The only "Founding Fathers" to sign the Declaration of Independence, the Articles of Confederation, and the Constitution were Robert Morris and:
1. Benjamin Franklin
2. Oliver Ellsworth
3. George Washington
4. Roger Sherman
8. The three authors of The Federalist Papers all signed their names:
1. Richard Saunders
2. Publius
3. The Committee
4. Revere
9. The term "due process of law" is found in Amendments:
1. I and VI
2. III and XXV
3. IV and XII
4. V and XIV
10. On July 16, 1987, members of the 100th Congress met in Independence Hall to honor the Great Compromise of 1787. The presiding officer of that ceremony this summer was:
1. Speaker Jim Wright
2. Senator Robert Byrd
3. Congresswoman Lindy Boggs
4. former Chief Justice Burger

CIVILIANS WHO CANNOT REMAIN NEUTRAL

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. MOAKLEY. Mr. Speaker, for the last 4 years, I have sponsored legislation which would temporarily suspend the deportations of Salvadoran and Nicaraguan refugees currently in the United States. On July 28, the House of Representatives passed my bill by a strong margin of 237-181. The Senate is expected to consider a similar bill sponsored by Senator DENNIS DECONCINI of Arizona in the very near future.

Mr. Speaker, I believe that Salvadoran and Nicaraguan refugees deserve temporary protection due to the violence and turmoil which has engulfed both countries. The Salvadoran and Nicaraguan refugees who have sought safety in the United States are not economic migrants, as some have contended. They are war refugees. They need our help.

Holly Burkhalter, the Washington, DC, representative of Americas Watch, Asia Watch and the Helsinki Watch has written an excellent article for the Christian Science Monitor about the special dangers that civilians of both El Salvador and Nicaragua must currently face. I think it further dramatizes the need to offer those who have fled these a temporary helping hand. Mr. Speaker, I highly recommend Ms. Burkhalter's thoughtful article to my colleagues.

CIVILIANS WHO CANNOT REMAIN NEUTRAL

(By Holly Burkhalter)

Insurgency and counterinsurgency have a particularly crude dimension in Central America, where there have been a number of attacks on civilians in recent months.

In El Salvador and Nicaragua, guerrillas and government forces are forcing civilians to aid them or are taking reprisals against civilians believed to be helping the other side. In both countries, it is difficult for civilians to remain neutral, as rebel and government forces attempt to deprive each other of civilian support.

A recent case of five killings by the Salvadorean Army illustrates the problem. In May, guerrilla combatants forced five young men from northern San Miguel Province to accompany them and armed them with guns. The men were released several days later. They sought to return to their homes without the weapons, but were captured and killed by government soldiers. The Salvadorean Army first claimed to have killed a group of guerrillas in combat, but later changed its story to accuse the guerrillas of killing the five and dumping their bodies into a well. Family members insist the unarmed victims were executed by the armed forces.

The Salvadorean guerrillas also carry out selected assassinations of civilians believed to be assisting the Army. A recent increase in such incidents appears to be a response to the Army's stepped-up efforts to recruit civilian collaborators in combat areas. From the standpoint of the Army, however, the risks run by its informers may not be a matter of great concern. As one Army officer in San Miguel was reported in April as telling a US journalist: "It makes the guerrillas nervous, because they do not know who is working for us. If they kill the person or an innocent civilian they terrorize the population, but if they do not, then we may get information."

In Nicaragua, both the Army and the contras depend upon civilians for military intelligence. Where contra forces have attempted to operate, murders of Sandinista activists and, in some cases, of their family members, are frequent. Such attacks eliminate some who might inform the government of the whereabouts of the contras, and terrorize others into silence. The contras have also kidnapped civilians and forced them into military service or into providing logistical support. Many Nicaraguan civilians have been forced to serve as bearers of supplies for the contras, or as unarmed scouts and human minesweepers who walk ahead of the contra troops.

For their part, Sandinista military units are antagonistic to civilian supporters of the contras who, they believe, provide information that makes Nicaraguan government forces vulnerable to ambushes. Accordingly, the Sandinistas have arrested hundreds of alleged contra supporters in conflict zones, denied them due process, and jailed and mistreated them. Abuses have included beatings, mock executions, deprivation of sleep and food, and threats against family members.

While the laws of war allow a government to take legal action against civilians supporting its enemies, they do not permit trumped-up charges, kangaroo courts, physical abuse, or threats against family members.

Many would argue that it is in the nature of insurgency and counterinsurgency that warring armies compete for civilian support in conflict areas and often punish those believed to have aided the opposing side.

Yet this does not mean that it is futile to try to protect human rights in the context of such wars. The parties to these conflicts also seek international legitimacy and support. By making it plain that practices which victimize civilians are not tolerable, the international community can force changes.

The armed forces were required to curb the death squads and aerial bombardments of civilians; the Nicaraguan armed forces were required to curb abuses against the Miskito Indians; the guerrillas in El Salva-

dor and the contras in Nicaragua are being required to curb their use of land mines that kill and maim civilians. All of these curbs were forced by international public opinion.

That same pressure should be directed against both sides in El Salvador and Nicaragua who are abusing civilians they consider supporters of their enemies.

BEHAVE OR BE DAMNED

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. WORTLEY. Mr. Speaker, I would like to call the attention of my colleagues to a radio address about corporate morality given by the renowned Paul Harvey on August 22, 1987, for the ABC radio network. I submit a transcript of the address for the RECORD.

Paul Harvey is right on target with his timely report, and I hope his message is heeded. The free market system serves us well, but it is not to be confused with the free-for-all market system envisioned by the inside traders and racketeers of current infamy.

As a member of the House Committee on Banking, I am acutely aware of the role of moral abuses in the failure of financial institutions. Recent testimony before our committee by the Federal Deposit Insurance Corporation revealed that serious insider abuse, fraud, and/or apparent criminal activity contributed significantly to about one-third of the bank failures in recent years. Such offenses are an assault on our moral culture as well as on innocent taxpayers, investors, and consumers.

[Paul Harvey News, ABC Radio Network, Sept. 22, 1987]

BEHAVE OR BE DAMNED

There is a new awareness in the corporate board room that industry without morality has lost its rudder.

American leaders in politics, industry and finance have been cutting corners, bending rules, cheating.

Recently the Chairman of Chase Manhattan addressed a graduating class at Tulane with what he labeled up front as a "sermon."

Mr. Willard Butcher was appalled—and he thought those students should be—at insider trading scandals which have converted some Phi Beta Kappa graduates of the finest schools into convicted felons.

And even in the pristine halls of academia, embarrassing revelations of rule-breaking in amateur athletics.

One college president recently remarked, wryly, "We're trying to build a university that our football team can be proud of."

Scandals are not new to our nation. Ethical abuses have been with us since the Grant administration and the Teapot Dome scandals in government—through the Black Sox scandal of 1919 in sports—to the Salad Oil and Equity Funding scams in business.

But Mr. Butcher says the recent difference is that ethical abusers came to be treated like celebrities.

Recently the New York Times said the best way to ensure the success of your next dinner party is to invite Ivan Boesky, Dennis Levine or the Mayflower Madam.

The attitude seems to be, "If you're indicted—you're invited." Where Americans formerly outpaced the world in producing quality goods and reliable service, recently the short-term objectives came to be make money, get rich and get out.

But more significant than all the hanky-panky that's been going on is the response of such men as Willard Butcher. His company now has a Corporate Code of Conduct—spelling out the value standards which his employees are expected to live up to.

Motivation seminars which used to stress convince the customer, sell the sizzle, close the deal—are now espousing ethical behavior and ethical principles, "behave or be damned."

Corporate leadership is looking beyond quarterly profits to long-term societal concerns: Reg Jones at G.E., Dan Burke of ABC, Bill Pollard at Servicemaster, Irving Shapiro at DuPont, David Rockefeller and Jim Burke and John Shad. And Harvard's business school has now made the study of ethics an integral part of the curriculum.

From recent painful headlines has come a new commitment to "ethical excellence." We've discovered that if only in our own enlightened self-interest, being better and doing better is better.

UNITED STATES SHOULD NOT ABANDON YET ANOTHER ALLY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. SOLOMON. Mr. Speaker, for some reason best explained by psychoanalysts, some individuals, including, regretably, Members of this House, have chloroformed themselves into thinking negotiations with the Marxist masters of Nicaragua will guarantee peace for all time. These people, some of them well-meaning, seem to believe that if one wishes for peace hard enough, it will materialize, that if we can get people who hate us to sign a treaty, they then will love us.

One of the best newspapers in the Northeast, the Times-Union of Albany recently exposed that dangerous mentality, warning us to keep up pressures on the Sandinistas until they prove their interest in peace.

If they do, it will be a first. There is not one case in history, not one, in which a peace agreement with Communists has been worth the paper it was written on. No agreement with the Communists has ever resulted to our benefit.

Not everyone is fooled. The editors of the Times-Union, at least, can see through the wishful thinking that threatens to reach epidemic proportions these days:

STICKING WITH THE CONTRAS

Irrespective of the wisdom of Costa Rican President Arias' peace plan for Central America, the United States is more or less stuck with it. The President himself had pretty much committed himself to a negotiated settlement when he, in effect, authorized Jim Wright to draw up a plan in the administration's name. As soon as Mr. Arias' peace train left the station, however, Jim Wright jumped aboard and so—at least with one leg—did President Reagan.

The problem with the Arias plan, however, is that it might too easily permit the Sandinistas to violate its main principles while the anti-communist forces are abandoned and dissolved. The Sandinistas, that is to say, may not be serious about restoring civil and political rights and moving toward a multi-party system and open government.

It is for precisely this reason that President Reagan has so far insisted that the contras not be abandoned by the United States until the Sandinistas live up to their part of the accord and liberalize that nation's politics. Commandant Daniel Ortega, contrariwise, has lately been insisting that the peace accord, which was signed by several Central American nations last week, would not be binding unless the United States first ended its support of the contras.

There will undoubtedly be pressure from many in the United States, including many in Congress, for President Reagan to cut the contras off. The President should resist.

The fact of the matter is, Mr. Ortega and the rest of the Sandinista directorate have given little reason for the world to believe they would voluntarily move in the direction of freedom and democracy—and much reason to doubt it. In 1979, it will be remembered, the Sandinistas were also called upon to compromise with their political opponents, mostly because of heavy political pressure. The agreement that was reached included guarantees for freedom for all political parties, opposition groups and the media, as well as a system for protecting private property against arbitrary confiscation.

While agreeing to all of this in the abstract, however, the Sandinistas were busy undermining each principle in practice. All this happened, it should be recalled, when the Carter administration still looked favorably on the revolution—and was even prepared to send $75 million in aid to help out the Sandinistas. Since then, Nicaragua has gradually been converted into a quasi-totalitarian state.

Does anyone really believe that Mr. Ortega would even be talking about freedom and democracy if the contras, backed by the United States, had not all along been pressuring him in the field? Does anyone seriously believe that if left alone now the Sandinistas would quit their Marxist program for Nicaragua? Indeed, does anyone believe that the Sandinistas are any less Marxist or any less beholden to Cuba and the Soviet Union today than they were last year?

When Mr. Ortega was finally pressured into signing this latest peace accord he immediately flew to Havana to confer with Fidel Castro. Strangely, Mr. Castro gave the Sandinista leader the green light—an even more curious development than the Sandinistas agreeing to an open government.

But, as Lawrence Harrison, the former director of the U.S. Agency for International Development's mission to Nicaragua has written, "That Mr. Castro has now endorsed the Central American peace agreement is particularly telling: Does anyone believe that he really wants democratization in Nicaragua?"

Before the United States can afford to halt aid to the contras, the Sandinistas must take specific steps. These include reducing their military forces, ousting Cuban and Soviet military advisors and guaranteeing free and open elections that would provide the contras the opportunity to take part in a democratically elected government.

It is certain there will be no move toward democracy in Nicaragua without some pressure being applied. The United States cannot abandon the contras now because the contras are the only source of pressure that could force Nicaragua to reform. A

piece of paper by itself, no matter how many signatories, will not do the job.

IN HONOR OF THE ANNUAL THIRD AVENUE FESTIVAL

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. GREEN. Mr. Speaker, what is described as "the largest 1-day event in America" will be held in my district on Sunday, September 27. The annual Third Avenue Festival attracts more than 2½ million people to its activities. The festival this year returns to the direction of its originator, Ed Kayatt, owner of Our Town community newspaper.

Extending along Third Avenue from 68th to 96th Streets, neighborhood merchants as well as other vendors line both sides of the avenue with booths offering a variety of foods and merchandise reflective of the rich cultural diversity of New York City itself.

The Daily News will officiate over the live entertainment and celebrities that will be on hand. There will be five bandstands, one featuring Skitch Henderson's 86-piece New York Pops Orchestra. The list of celebrities include the "infamous" Morris The Cat, who claims to be running for President. the "candidate" will be accompanied by a former candidate's daughter, Eleanor Mondale.

Festival proceeds are donated to charitable and community not-for-profit organizations such as local senior groups, including Stanley Isaacs Senior Center, Burden Center for the Aging, Lenox Hill Neighborhood Association, as well as the Yorkville Common Pantry, Asphalt Green Recreation Center, the 19th Precinct Community Council and the Neighborhood Coalition for the Homeless to name but a few.

I ask my colleagues to join with me in recognition of the Third Avenue Festival organizers and of Mr. Kayatt, for their continuing commitment to the community and its organizations.

PENNSYLVANIA DAIRY FARMS OF DISTINCTION

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. MURTHA. Mr. Speaker, agriculture remains the No. 1 industry in the State of Pennsylvania, and this year the Commonwealth set out to choose some dairy farms from the nearly 15,000 in the State as Dairies of Distinction.

I am very pleased to recognize five of those farms that are within Pennsylvania's 12th Congressional District. Those recognized from the area are: George C. Stahl of Somerset; Mark and Merle Mishler of Hollsopple; Tom Walker of Somerset; Donald Kalp of Acme; and John and Scott McIlvaine of Greensburg.

One of the pleasures of representing a diverse area in Congress is learning about its people and its distinctions. Over the years I have represented our area in Congress, I have learned a great deal about agriculture and the farming families of our region. Among these farms recognized are lands that have been in the family since the 18th century, and these are families that have been dedicated to preserving the land, working long, hard hours, and caring about their community.

I thought an article written about one of the farms summarized much of the feeling I have found to be a key to farming in the area. The reporter wrote that the family was "pleased the Commonwealth has recognized their farm for its beauty as well as for its usefulness. It cannot increase their sense of pride in their farm, however, because a deep devotion to the land has always been there. They will display their road sign, but they will also go about their daily chores with the same fierce determination to make the land better for the next generation."

It is a pleasure for me to extend this recognition to these special farm families, and to wish them well with their continuing farm and community activities.

LABOR STILL FIGHTS FOR FREEDOM

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. VENTO. Mr. Speaker, although we celebrated Labor Day on September 7, I would like to call my colleagues' attention to an article which was published recently in the St. Paul Pioneer Press Dispatch, September 1, 1987, by David Morris, a consultant, author, and lecturer from St. Paul.

Mr. Morris observes that "Wherever one finds a budding democracy, organized labor is usually sowing the seeds." The examples of trade union activity in such diverse nations as Poland, the Philippines, South Africa, South Korea, El Salvador, and others, are a testament to the power of ordinary people when they become organized for political and social change.

The common demand of labor movements in all of these countries and indeed here in the United States is respect for the dignity of labor and human rights. It is certainly appropriate that we reflect upon this never-ending struggle, not only on our officially celebrated "Labor Day" but every day.

I include Mr. Morris' article at this point in the RECORD:

[From The St. Paul Pioneer Press, Sept. 1, 1987]

DESPITE PERILS, BAD PRESS, LABOR STILL FIGHTS FOR FREEDOM

(By David Morris)

Trade unions are the engine of liberty. Wherever one finds a budding democracy, organized labor is usually sowing the seeds. In the Philippines, South Africa, South Korea, El Salvador, yes, even in the United States, ordinary workers have been a powerful force for justice and decency.

Three hundred fifty thousand black miners have been on strike in South Africa. Their immediate concerns were for better wages and working conditions. But Cyril Ramaphosa, general manager of the National Union of Black Miners, knows it won't stop there. So does Prime Minister Pieter Botha.

"You organize the workers and once you've organized them they take their lives into their own (hands)," says Ramaphosa. They start using that power in issues that concern the wider society.

Which is why ordinary people coming together threatens unjust regimes. And why labor organizers and leaders like Ramaphosa live in a world of constant and immediate danger. In 1980 alone 1,000 union members were killed or abducted in Guatemala. In El Salvador this spring the president of the National Association of Agricultural Workers was "detained" by soldiers. His decapitated body was found floating in the river. Shortly thereafter the president of the teachers union was shot to death.

New leaders emerge despite this brutality, a testament to the indomitability of the human spirit and to the human need for dignity and pride and respect. Ferdinand Marcos found out what happens when a people get angry and organized. Anastasio Somoza did too. So did the Polish government. In August 1980 electrician Lech Walesa led a Gdansk ship-yard strike for better working conditions. By early 1981 the strike had mushroomed into Solidarity—10 million members, 50 percent of the labor force, legal recognition from the government. For one heady moment the working class was negotiating directly with the state.

The workers demanded authority to hire and fire their own managers. They demanded free elections. When negotiations faltered Walesa declared, "The situation forces us to take upon ourselves responsibility for the fate of the nation." He made that remark in September. In December the state fought back. Martial law was declared. The army took control.

Our own history is studded with examples of workers helping us to form a more perfect union. In the great social movements of the day—civil rights, women's right to vote, child labor, Social Security, medical care for the elderly—organized labor played an instrumental role.

Next Monday is Labor Day. Our history books tell us that a national day of celebration in September was first proposed by the fledgling American Federation of Labor in 1884. What is less known is that at the same convention the AFL declared May 1, 1886 the day American workers would unilaterally declare the eight-hour day to be the legal working day. "Eight hours for work; eight hours for rest," was their cry.

On May 1, 1886, the first May Day was celebrated not in Europe or in Russia but in the United States. Three hundred fifty thousand workers in almost 12,000 businesses went on strike to demand an eight-hour day. Half of those won that demand almost immediately. The movement had a ripple effect. Fourteen-hour days were reduced to 12. Saturday became a half day in many businesses.

This spectacularly successful demonstration of worker power scared the authorities of the time as much as did Poland's Solidarity a century later. On May 4, 1886, the police killed a dozen demonstrators in Chicago's Haymarket Square. Hundreds of labor leaders were arrested throughout the country.

In the 1880s, America's political leaders called the strikers "communists." In the 1980s, Polish authorities called them "capitalists." In neither case could the label hide the workers' desire for freedom.

Recently, 40,000 South Korean workers occupied Hyundai's shipyards and engine manufacturing plants. In El Salvador, two dozen unions are on strike. In both cases the workers are demanding legal recognition. In both cases they also demand democracy.

South African miners, Hyundai auto workers, Gdansk shipyard employees, Salvadoran teachers, all want the same thing: a recognition of their value as people. Consideration. Respect. Liberty.

Unions are rarely viewed with favor by those who run our factories, our television stations, our newspapers, our governments. For a union is, by definition, an independent source of power, rooted deeply in the collective ability of those who produce our wealth. It is a subversive force in the best sense of the word. Thus we grow up not knowing that May Day began in the United States. We come to view unions as a necessary evil.

But today's headlines belie this distorted picture. Around the world, at great personal risk, millions of people are saying to the most violent, repressive regimes on earth: "Enough! We will toil no longer until we have rights."

So, to those who mine the earth and build our cars and ships, and teach our children, a toast. To liberty and justice, and solidarity.

CONSTITUTION SACRED

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. DAUB. Mr. Speaker, I include the following tribute to the Constitution for the RECORD. It is a prize-winning piece written by Roy Palmquist from Omaha, NE.

CONSTITUTION SACRED

The following is my tribute on prayer for the U.S. Constitution.

Almighty God, from this document of humanity we inherit our birthright to liberty. Inscribed in the blood of those who died for such liberty. Almighty God, grant us always the wisdom to safeguard it. The Constitution is the culmination of the Magna Carta, the Declaration of Independence and the Bill of Rights (first 10 amendments—it is the passport to human happiness and a plan of life altogether fitting and proper to truth and justice.

The Constitution is sacred. A spiritual creation conceived by God-endowed men who were deliberate and far sighted, who combined balance, flexibility and stability to make it a useful device. It endures because it embodies Christianity.

The Constitution is the vehicle which America has utilized to become the greatest nation in the world; the compass which has guided us through stress and storm; through peace and progress. By experience, it is the only way to liberty. Almight God, I pray, keep it that way.—Roy A. Palmquist.

BOLIVIA'S MONETARY REFORM LEADS TO SUPPLY-SIDE REVOLUTION

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. YATRON. Mr. Speaker, the Bolivian Government, which only 2 years ago had an inflation rate of 20,000 percent, has made exemplary progress in bringing inflation under control. The annual inflation rate is now 12.5 percent.

One major project assisting that government in stabilizing the fiscal situation was established by the United Nations Development Program [UNDP]. UNDP is reforming and implementing a new tax structure and has contributed to the creation of a new Ministry of Revenue. This is a typical effort by UNDP, where important basic infrastructural work is being implemented to assist an impoverished nation.

Mr. Speaker, I would like to commend to the attention of our colleagues an article published in the Wall Street Journal that details those efforts and successful results. The article is entitled "Bolivia's Monetary Reform Leads to Supply-Side Revolution," and was published in the Journal on July 24, 1987.

The article follows:

[From The Wall Street Journal, July 24, 1987]

BOLIVIA'S MONETARY REFORM LEADS TO SUPPLY-SIDE REVOLUTION

(By William N. Raisord)

LA PAZ, BOLIVIA.—In 1985. Bolivia's 20,000% annual inflation rate tended to over-shadow all other economic statistics. So it was no surpirse when the newly elected democratic government of President Victor Paz Estenssoro, faced with economic chaos, concentrated its efforts first on monetary control—or, rather, decontrol. The peso was devalued 93% and exchange rate controls were removed. The market now determines the value of the new currency, which was renamed the *Boliviano* on Jan. 1, 1987. The free-floating Boliviano has been trading at two to one to the dollar ever since. The government also stopped spending money it didn't have.

These short-term measures have had a dramatic effect on Bolivian economic statistics: The government's budget deficit dropped from 28% of gross domestic product in 1984 to a respectable 4% of GDP last year. and the 20,000% rate of inflation now is holding steady at a 12.5% annual rate.

However, lost in the fuss over inflation was a related, fiscal statistic: During the period of super-high inflation, the tax resource base, traditionally a low 7% to 11% of GDP, dropped to less than 1%. Thus, along with an anti-inflationary program, the new Bolivian administration had to adjust its fiscal accounting. The old tax law was progressive, and had many different codes. "It was not only confusing, it was easy to get around, Many of us, including myself, paid little or no taxes," one businessman told me.

The government had to move fast. In less than 10 months, it developed and passed a new tax law. It also asked the United Nations Development Program (UNDP) to help reform and implement the new tax structure. In addition to revamping the tax structure, UNDP helped create a new Ministry of Revenue.

Ramiro Cabezas, the new minister of revenue, says: "The previous system was eroded, corruption was generalized, the tax base destroyed. We completely discarded the old system of more than 400 codes and replaced it with seven new codes."

A basic criterion was to design a system that was as easy as possible ito enforce. For example, businesses pay taxes on "presumed" income, calculated as the difference between assets and liabilities, rather than on profits. "It's a blind tax," admits Mr. Cabezas, "but assets are easier to identify than profits."

Manuel Vivado, president of an agricultural consulting firm, doesn't believe the tax is fair. "Farmers and ranchers need land, cattle, machinery and often make small profits," he says. "Banks, on the other hand, can make huge profits with relatively fewer assets. I'm examining these differences for the cattlemen's association and we will present our case to the Ministry." Yet even Mr. Vivado concedes, "In general, we support the new tax system but we believe some inequities need adjustment. I'm optimistic. It's a give-and-take process. The whole country is moving toward a more rational system."

The centerpiece of the new code is a 10% value-added tax (VAT) on all sales of goods and services. VATs have a terrible track record in Latin countries. Argentina's 18% VAT, for example, is so widely violated that shopkeepers invariably quote two prices: one with a receipt, in which the VAT is included, and one without (the latter, of course, being the cheaper).

The new Bolivian administration, however, has tried to encourage cooperation by permitting VAT taxpayers to deduct 10% of the value of their purchases from their personal-income taxes. At the same time, the top marginal rate for personal-income tax has been reduced from 35% to a flat rate of 10%. In other words, it's conceivable that many Bolivians will pay only the 10% VAT tax and no personal-income taxes! "We are not interested in taxing income," says Mr. Cabezas, "but in forcing the buyers and sellers to issue the invoice in order to have a better control on the value-added tax."

"One of the most important characteristics of the new system," notes Mr. Cabezas, "is that private banks have been contracted as collection agents. Bolivia's experience has been that when government revenue officials and taxpayers were in direct contact with each other, tax revenues fell off sharply." Banks will receive a flat fee for every form processed plus a negotiated commission (around 2%).

To implement this unique system, the UNDP team is developing a computerized software system that will enable the banks to accurately and efficiently process payments and then turn the records on tape over to the Ministry. For the first time in its history, the government will have a system of record keeping that will enable it to quickly identify those who haven't paid their correct taxes. Moreover, says Omar C.M. Spinelli, director of the UNDP team, identification by computer further reduces the possibility of corruption.

The customs tax also was rewritten. The old system yielded only an estimated 4% to 5% of the estimated value of imports. The rates varied, but typically were quite high, topping off at 80% for luxury items. They also encouraged wholesale smuggling. Also, legitimate businessmen were forced to give

up their sale of imported goods and switch to locally made products. A small-business man I knew in the 1960s had a thriving business selling imported kitchen and bathroom fixtures—sinks and tubs. Now his shop is filled with small locally produced items ranging from cosmetics to hair lotion. Why? "I couldn't pay the import tax and still make a profit," he told me.

The new tax is a flat 20% across-the-board levy. It is designed to encourage legal imports, reduce the incentive to smuggle and realign incentives to import with market factors. Perhaps it's too early to say that the flat rate has had a supply-side effect in stimulating growth. But officially registered imports were up 30% in 1986, and a further increase is projected for this year.

Preliminary data also show that customs and revenue taxes have already significantly expanded government income. "Our goal," says Mr. Cabezas, "is to collect 4% of GDP in taxes this year and 7% by 1989." That should give the government the revenues it needs while leaving business with enough savings to take the lead in economic reactivation.

Bolivia still has major problems. The principal source of foreign-exchange earnings comes from the cocaine traffic. Bolivia's foreign debt is equivalent to GDP and real interest rates are 35% to 45% (interest on deposits is fixed at 18%). One-quarter of the workers are unemployed, including two out of three (20,000) miners from a once-powerful mining industry whose costs now far exceed earnings.

Carlos Mesa, a respected newsman and executive director of a private TV station here, says. "Yes, an outsider who looks at our foreign debt, weak economy and powerful narcotics trafficking could say that we are living on the edge of an economic precipice. But if you had lived here for the past few years, you would now see hope. The critical fact is that the government has put on the brakes. It has a coherent economic policy. Moreover," he adds with relief, "we have had five years of democracy and there is now a strong orientation to resolve the problems of the country within the context of democracy."

CPA'S DESERVING OF PRAISE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. FRANK. Mr. Speaker, recently, the Governor of Massachusetts, Michael Dukakis and the General Court of Massachusetts, which is the formal name for the Massachusetts Legislature, gave appropriate recognition to the important work done for all of us by certified public accountants. 1987 marks the 100th anniversary of this important profession in its current organizational form, and the proclamation by the Governor and the resolution by the legislature point out how important their work is, and correctly notes that the members of this profession are entitled to congratulations on the work they do.

I wish to extend my congratulations to the 6,700 members of the Massachusetts Society of Certified Public Accountants for their part in commemorating this important anniversary. And I include the proclamation of Governor Dukakis and the resolution of the General Court of Massachusetts in honor of CPA's at this point:

THE COMMONWEALTH OF MASSACHUSETTS—A PROCLAMATION

Whereas the Massachusetts Society of Certified Public Accountants, Inc. joins The American Institute of Certified Public Accountants in celebrating the 100th birthday of the public accounting profession in the United States; and

Whereas the Massachusetts Society of Certified Public Accountants, Inc. whose 6,700 members are trained to provide accounting and auditing services, management advisory services, tax advice, personal financial planning and other services; and

Whereas certified public accountants are employed in public practice, industry, business, government and education; and

Whereas certified public accountants play a crucial role in the business and financial community in the Commonwealth of Massachusetts; and

Whereas the Massachusetts Society of Certified Public Accountants, Inc. encourages members to adher to high professional standards of conduct and participation in continuing professional education program; and

Whereas the public accounting profession is celebrating its centennial commemorating "A Century of Progress in Accounting" in meeting the changing needs of corporations, investors, credit grantors, labor, government, and the general public;

Now, therefore, I, Michael S. Dukakis, Governor of the Commonwealth of Massachusetts, do hereby proclaim September 20-26, 1987 as "Certified Public Accountants Week" and urge the citizens of the Commonwealth to take cognizance of this event and to participate fittingly in its observance.

RESOLUTIONS CONGRATULATING THE PUBLIC ACCOUNTANCY PROFESSION ON ITS CENTENNIAL

Whereas nineteen hundred and eighty-seven marks the one hundredth birthday of the certified public accountancy profession in the United States; and

Whereas the sixty-seven hundred members of the Massachusetts Society of Certified Public Accountants, Inc., are celebrating this milestone; and

Whereas certified public accountants provide important services in the business and financial community in the Commonwealth of Massachusetts; and

Whereas certified public accountants are employed in public practice, industry, business, government, and in education; and

Whereas certified public accountants are trained to provide accounting and auditing services, management advisory services, tax advice, personal financial planning, and many other services; and

Whereas accurate financial information plays an important role in the continuing well-being of business, industry and government; and

Whereas the Massachusetts Society of Certified Public Accountants, Inc., is dedicated to promoting and maintaining the highest professional standards of practice; now therefore be it

Resolved, That the Massachusetts General Court hereby commends and congratulates the men and women in the public accountancy profession on the occasion of their centennial and for their contributions to society; and be it further

Resolved, That a copy of these resolutions be transmitted forthwith by the clerk of the Senate to Jere St. Angelo, president, and Theodore J. Flynn, executive director, of Massachusetts Society of Certified Public Accountants, Inc.

IN HONOR OF THOMAS J. D'ALESANDRO, JR.

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 15, 1987

Mrs. BOXER. Mr. Speaker, I feel very privileged today for the opportunity to honor the memory of Thomas D'Alesandro. While serving the people through years in public office as a Congressman and as the mayor of Baltimore, he always remained one of the people. He lived his life as we should hope to live ours, with integrity, with compassion, with care for the common person. A staunch supporter of the New Deal, the world is a better place for his having graced it. Thomas D'Alesandro made a difference. His life calls to mind what we should hope to do, and his memory lives with us as a reminder of what we can accomplish.

I had the pleasure of meeting Mr. D'Alesandro here on the House floor at his daughter's swearing-in ceremony. He was an extremely warm man, a very gracious man. He asked me to look after his daughter, Nancy. Well, I told him I would, but after watching the newest Representative from San Francisco at work, I should add, Mr. D'Alesandro, we'll look after each other.

IN COMMEMORATION OF THE 225TH ANNIVERSARY CELEBRATION OF THE TOWN OF ATHOL AND THE VISIT OF THE DUKE OF ATHOLL

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. CONTE. Mr. Speaker, I rise today to commemorate the 225th anniversary of the town of Athol's incorporation. I also want to take this opportunity to honor the Duke of Atholl's visit to the town that his family helped found many years ago. The grandeur of the celebration planned by the residents of Athol should serve to tell us here in the U.S. Congress that Americans have not forgotten "the rock from whence they were hewn."

The early settlement in the area now known as Athol was originally referred to as Pequoig. Among the residents—and perhaps the largest landowner in Pequoig—was Col. John Murray. When the residents met in 1762 to incorporate the township, Colonel Murray suggested the name "Athol," as the terrain of the area reminded him of his father's dukedom in Scotland.

Since the departure of Colonel Murray, no member of the Duke's family has returned to visit the township. However, the invitation extended and accepted by the present Duke of

Athol, George Iain Murray, is a sign of the strong value that continues to be placed on tradition by the town's residents.

Upon reflection of the importance of this reunion, I am moved. So often the history of our people and our Nation is seen as a determined traveler that never looks back. Because of our Nation's rapid growth through numerous developmental stages, it is often thought that ambitions for the future blinded us to the importance of experiences with the past. This is not true of the people of Athol.

Mr. Speaker, in Athol's 225th anniversary celebration I have rediscovered the warmth that is felt in the reunion with one's past. For the residents of Athol, this visit is an opportunity to cultivate intimacy with the very foundations of their community. For the Duke, this reunion is a chance to witness the growth of the seeds planted by his family. For both, it is a chance to reflect on the inherent value of tradition.

This event is truly deserving of a grand celebration. In fact, both the residents of Athol and the Duke have determined that the importance of this visit merits the accompaniment of the Duke's private army. The Duke is the commander of the last private army recognized in Europe—an army dubbed the "Highlanders." The training and splendor of this ceremonial entourage will, no doubt, add immensely to the pride and joy that will be felt throughout the visit.

Reflection on the events of next week's ceremony calls to mind a ceremony of the past. In 1983 I attended the dedication of the newly renovated Pequoig Hotel. At that point Athol was experiencing tough times. The town had one of the highest unemployment rates in the State and the only resource available to Athol was the town's people. The completion of the Pequoig project marked a crucial first step in Athol's recovery. Since then, the downtown area has undergone a revitalization that includes the Dumont project, the renovation of the Delta building, and the upgrading of the cityscape. The strength of the revitalization required the construction of almost 200 new parking slots—and even this addition will barely meet the demands of increased business downtown.

Today, Athol's unemployment rate is significantly below the national average and civic leaders continue to plan for increased economic activity. Underlying this recent development is a strong sense of cooperation among everyone involved with Athol. While I have fought for Federal funds, State government officials, shopkeepers, industries from the area, and, of course, Athol's residents have all worked hard to fuel the momentum of this revitalization.

The celebration planned for the 225th anniversary is yet another example of the commitment felt by the residents of Athol to their community. Without a doubt the people of Athol are still the greatest resource available to the area. And I know that the 225th anniversary will not be the last concerted effort by Athol's residents. There are more projects to be undertaken and I am confident in Athol's capabilities to meet upcoming challenges.

Mr. Speaker, the ceremony and regalia that will take place during the next week will be exciting for everyone involved. Yet the strongest message from this reunion will be the warmth of kinship and community that will forever glow.

JUSTICE MARSHALL'S MEAN-SPIRITED REMARKS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. SOLOMON. Mr. Speaker, when Supreme Court Justice Thurgood Marshall rated President Reagan the worst President ever on civil rights, he not only violated all rules of courtesy and decorum, he violated the truth.

In a recent television interview, Justice Marshall exposed the frustration he must feel at the prospect of a future Supreme Court more in tune with mainstream America. All the excuses being used to oppose President Reagan's nomination of Robert Bork to the Supreme Court are being stripped away, one by one, leaving only the most blatantly partisan attacks. And to this partisanship, sadly enough, Justice Marshall is making his contribution.

President Reagan was genuinely hurt when he heard of Justice Marshall's remarks, and understandably so. Ronald Reagan, more than any man I've ever known, has never had a prejudiced bone in his body, which makes Marshall's remarks all the more mean-spirited.

I would ask Justice Marshall this question: Which has really benefited blacks more, the "Great Society" approach which nearly made blacks permanent wards of the state, or the Reagan approach, which honors the 1964 Civil Rights Act by enforcing a color-blind society and gives blacks the dignity they deserve?

I would add, Mr. Speaker, that thanks to Ronald Reagan, we have enjoyed the longest peacetime prosperity in this Nation's history. A rising tide lifts all boats, and the Reagan revolution has lifted the prospects of every man, woman, and child in this country.

OKLAHOMA HAS ANOTHER WORLD CHAMPION

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. WATKINS. Mr. Speaker, Oklahoma, which has long been a State of champions such as Jim Thorpe, Freckles Brown, Mickey Mantle, Pepper Martin, Carl Albert, and many others—again has fielded a champion and John Smith has returned my alma mater, Oklahoma State University, to international acclaim in wrestling.

John lives in Del City, OK, which is just about 20 miles too far west to be considered a part of the Third Congressional District, and he is now a senior at Oklahoma State University in the Third Congressional District of Oklahoma.

In August, John defeated Kahser Isaev of the Soviet Union, 5–4, in the 136-pound gold medal match, at the World Freestyle Wrestling Championships at Clermont-Ferrand, France, giving the United States its second and final individual title. Isaev, the defending world champion, lost to Smith 5–3, in the finals of last summer's Goodwill games in the Soviet Union. Smith's only other close match in these world championships was a 6–2 decision over a Mongolian wrestler.

This summer's events were a repeat of John's activities last year when he won two titles in the Goodwill Games.

He is believed to be the first U.S. wrestler to ever win a world title while a student in college.

Mr. Speaker, last March he won the College NCAA National Championship and was selected the Nation's Outstanding Wrestler. In July 1987, he won the gold at the Pan American games held in Indiana.

In addition, John Smith has been nominated for the Sullivan Award, which goes to the outstanding amateur athlete in the Nation.

I'm sure that my colleagues and the Nation will join me in sharing pride in John Smith's wrestling accomplishments. He brings honor to Oklahoma, to OSU, and to the United States.

JUDY HARBIN: MODEL CITIZEN

HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. DONALD E. LUKENS. Mr. Speaker, I would like to honor today a young lady from Ross Township, OH who tragically lost her life in an automobile accident this past year.

Miss Judy Harbin was a very bright, personable young lady who truly epitomized the phrase "model citizen." She strove to be a better person each day and was willing to push her limit as far as possible. Her spirit was one that burned bright and touched everyone who came into contact with her. A natural leader, Judy was successful not only with her school work but also with the many outside activities and other projects that helped her community and those less fortunate than she.

Never one to say no, she also possessed a very strong and aggressive attitude. Judy was always available to give help to anyone in need of it and simply put, served as a beautiful example to other young people.

Our Nation would be much better served if we had more Judy Harbins among our young people. Judy lived a productive and fruitful, but tragically short life. She accomplished more in her few years on Earth than many people accomplish in a lifetime. I am proud that Judy called me a friend.

BICENTENNIAL CELEBRATION SPONSORED BY HEWLETT ELEMENTARY SCHOOL

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. McGRATH. Mr. Speaker, it is my pleasure to bring to the attention of this body the outstanding program being conducted by an elementary school in my district to commemorate the Bicentennial of the Constitution of the United States.

In recognition of this important day in the history of the United States of America, administrators, teachers, and students of Hewlett Elementary School will be participating in a 2-day educational celebration of patriotism and citizenship. On September 16, 1987, the students will be involved in an all-day "teach in" on the Constitution which will include local political leaders as guest speakers. The students will also join President Ronald Reagan in a nationwide Pledge of Allegiance and then proceed to recite the Preamble to the Constitution led by retired Chief Justice Warren Burger.

The second day of this patriotic celebration will be highlighted by a red, white, and blue balloon launch and a moving speech by a local appellate court judge. The students will also demonstrate their respect and admiration for the Constitution and their Nation by joining together to sing a variety of patriotic songs and hymns.

I wish to commend Hewlett Elementary School and those individuals who have made this outstanding program a reality. Stella Pompa, Rose Weinstein, Clare Lenz, and Principal Dr. Mildred David, I applaud your outstanding efforts in bringing this important moment in the history of the United States to the attention of the young people of our community. The program you have designed will certainly serve to foster increased awareness and respect among the young people of Hewlett Elementary School for this Nation and this important document which has a profound impact on all our lives.

CLARIFYING THE INTENT FOR DISTRIBUTING ASSISTANCE TO SINGLE PARENTS AND SINGLE PREGNANT WOMEN UNDER THE VOCATIONAL EDUCATION ACT

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. WILLIAMS. Mr. Speaker, I rise today to introduce amendments to the Carl D. Perkins Vocational Education Act. These amendments clarify the intent of the Congress regarding the distribution of assistance to single parents and single pregnant women under this act.

These amendments are necessary because the Department of Education has interpreted the act to prohibit service to single pregnant women under the set-aside for single parents. The amendments I am introducing today will permit service to single pregnant women.

Surely, if we can provide training to single pregnant women before they deliver, we are that much ahead of "the curve" in making these women more competitive in the labor market.

I am hopeful that these amendments can be added in conference to the House passed School Improvement Act of 1987, since it is my understanding that the Senate will include similar language to these amendments when it acts on its version of the bill.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLARIFICATION OF DISTRIBUTION OF ASSISTANCE TO SINGLE PARENTS AND SINGLE PREGNANT WOMEN.

(a) USES OF FUNDS.—Section 201 of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2331) is amended—

(1) in subsection (b)(4), by striking out "or homemakers;" and inserting in lieu thereof ", homemakers, or single pregnant women;"; and

(2) in subsection (f), by striking out "and homemakers" each place such term appears and inserting in lieu thereof ", homemakers, and single pregnant women".

(b) DISTRIBUTION OF ASSISTANCE.—Section 202(4) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2332) is amended by striking out "and homemakers;" and inserting in lieu thereof ", homemakers, or single pregnant women;".

LOOKING BACK TO THE CONSTITUTION'S CENTENNIAL

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. GALLO. Mr. Speaker, as we celebrate the bicentennial of the U.S. Constitution, I would like to look back to a point in our history that is halfway between today and the day in 1787 when the delegates from the 13 States signed the U.S. Constitution and formed our current system of government.

The centennial celebration in 1887 has a special meaning to me and to my constituents, because our President at the time of this celebration was the only New Jersey born Chief Executive to serve in this high office during our first 200 years as a nation.

In tribute to the U.S. Constitution, the fundamental law of the land, and the role of President Grover Cleveland, 100 years ago on September 15, 1887, the town of Caldwell, the residents and neighboring communities will celebrate U.S. Constitution Week, from September 14 through the 21 of September, with American flags displayed at residences and business sites, and with the displaying of the specially designed Constitution flag on the town's green.

Grover Cleveland was born in the Golden Anniversary, the 50th anniversary year of the U.S. Constitution in Caldwell, NJ, and was the 22d President of the United States, presiding at the centennial celebration, the 100th anniversary of the Constitution, in Philadelphia, PA, and in the year when the Nation marks the bicentennial of the U.S. Constitution, the sesquicentennial or 150th birthday of President Cleveland is marked in his home State of New Jersey, and in his hometown of Caldwell, in northwest Essex County.

On September 15, 1887, at the official ceremony marking the centennial of the U.S. Constitution, President Grover Cleveland, the 22d and 24th President of the United States, a native of New Jersey, born in the town of Caldwell, presided at the centennial ceremony at Constitution Hall in Philadelphia, PA, surrounded by members of his Cabinet, the Supreme Court of the United States, Members of Congress, elected State and local officials, and the general public.

He spoke these words on behalf of the people of America on this historic occasion:

When we look down upon 100 years and see the origin of our Constitution, when we contemplate all its trials and triumphs, when we realize how completely the principles upon which it is based have met every national need and national peril, how devoutly should we say with Benjamin Franklin, "God governs in the affairs of men," how solemn should be the thought that to us is delivered this ark of the covenant, and to us is given the duty to shield it from impious hands.

Although President Cleveland's style of oratory is more typical of his time than of our own, his basic belief in our Constitution as a document that has survived because it continues to meet the needs of a free people is as true today as it was in 1887.

As Caldwell and surrounding communities celebrate this day of great meaning to our Nation by honoring the man who presided over the centennial event with such grace and flare, it is appropriate to recognize the special contributions of Mayor George T. Imperial and local historian Jacqueline A. Beusse who had the foresight and dedication to make this celebration possible.

As the Member of Congress who represents these fine people in the town of Grover Cleveland's birth, I commend to your attention their efforts on this special day in our Nation's history.

VA HONORS OUTSTANDING VOCATIONAL REHABILITATION AND COUNSELING PERFORMANCES

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. MONTGOMERY. Mr. Speaker, the Veterans Administration's Department of Veterans Benefits recently established an awards program to formally recognize outstanding accomplishments in vocational rehabilitation and counseling and to commend individuals for performing their duties in a clearly superior manner. The awards also recognize severely disabled veterans who, against great odds, successfully complete their rehabilitiation programs. Three individuals have won this first annual Vocational Rehabilitation Award.

Dr. James S. Porter, counseling psychologist at the VA's Jackson, MS, regional office, is being cited for his expertise in counseling seriously disabled and impared veterans, many of whom otherwise could not have obtained suitable and gainful employment.

Mr. Norbert E. Horak, vocational rehabilitation specialist at the VA's Des Moines, IA, regional office, is being cited for his examplary work in providing rehabilitation services to disabled veterans. In one case, he helped a seriously disabled combat-injured Vietnam veteran overcome physical, academic, and financial obstacles to complete his program goal of becoming a high school teacher, Mr. Horak's persistence with this veteran was rewarded and the veteran is now rehabilitated. Another severely injured combat veteran has progressed beyond the bounds of his severe physical limitations due in large measure to Mr. Horak, who will not let him give up on himself.

Finally, Mr. Errol G. McCall is VA's Disabled Veteran of the Year. Mr. McCall is a 100 percent service-connected veteran whose rehabilitation program at the VA's Hartford, CT; regional office took several years to accomplish. Although his combined disabilities could have totally excluded him from employment consideration, his determination to prepare for and acquire a suitable job motivated his case manager to work with him toward realizing his ambition. Mr. McCall is now employed at the VA regional office in Hartford as a finance division employee, and his prospects for continued employment are excellent. The Hartford regional office considers itself privileged to have Mr. McCall as a member of its work force.

The VA's vocational rehabilitation and counseling divisions around the country practice what they preach. They rehabilitate our disabled veterans and, in many cases, hire them as productive, competent employees.

Mr. Speaker, these three fine Americans will be honored on Tuesday, September 22, 1987, at a reception sponsored by the Disabled American Veterans. I know my colleagues will want to join me in offering our deep appreciation to Dr. Porter and Mr. Horak for their outstanding services. We also congratulate and applaud Mr. McCall's determination in overcoming the limitations of his disability.

A JOLT TO ARMS CONTROL

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. SOLOMON. Mr. Speaker, as the United States and the Soviets move closer to signing an intermediate Nuclear Arms Control Agreement, it is crucial that we carefully evaluate the impact this agreement will have on the overall military balance.

The American people should be mindful of the serious discrepancies which exist between NATO and Warsaw Pact conventional forces, as well as the instability in the strategic balance created by Soviet strategic advances. The recent deployment of the mobile SS-24 missiles by the Soviets and our inability to deploy a similar system is the case in point. In this regard I wish to submit for the RECORD the August 17, 1987, editorial from the Providence Journal entitled "Soviet SS-24s on the move: a jolt to arms control."

[From the Providence Journal, Aug. 17, 1987

SOVIET SS-24S ON THE MOVE: A JOLT TO ARMS CONTROL

The Soviet Union has beaten the United States to the goal both nations have had of mobility for their big intercontinental ballistic missiles. The USSR has managed to put its 10-warhead, SS-24 missiles on railroad cars, thus making it difficult to pinpoint their locations. Unless the country can match the feat soon—and being a democracy rather than a totalitarian state is one of the difficulties in doing so—a period of nuclear instability looms, during which time arms control agreements may be harder to come by.

The Kremlin acknowledged its new deployment Wednesday after the White House confirmed revelations of it by Sen. Jesse Helms, R-N.C. So far, U.S. satellites have detected only five of the missiles, but since they are meant to elude detection, there probably are others hidden. How many only Moscow knows.

The SS-24 rolls around on 62,000 miles of railroad track, hiding in a thousand tunnels scattered throughout the Soviet Union. It can hit any major target in Europe or America as accurately as the immobile SS-18, now the bulk of the Soviet arsenal.

The White House called this development—which has long been anticipated by U.S. intelligence—"sobering." That understates the case.

Mobile missiles are designed to enhance nuclear stability because, as moving targets, they reduce the ability of an enemy to launch a successful first strike. This mobility makes them harder to verify, complicating arms control, but since the goal of arms control is to enhance stability by deterring first-strike adventurism, the trade-off is considered worthwhile.

Unfortunately, this trade-off in pursuit of stability assumes that mobile missiles are deployed by both sides. If done by one side alone, the effect is extremely destabilizing. And while the Kremlin has the political capacity to run the SS-24 through the streets of Moscow without worrying how Muscovites might react, the mobility of the MX—once intended as America's mobile missile—was sidetracked by the "not in my back" yard syndrome that scuttles reasonable discourse in too many areas of American politics.

One alternative to the MX, the single-warhead Midgetman, remains on the drawing board. Another, strategic defense, is years off. Neither may ever be deployed. So while the SS-24 plays hide and seek with U.S. satellites, the MX will sit defenseless and expose in old Minuteman III siloes.

Whether the SS-24 deployment violates the defunct SALT II Treaty, as Senator Helms alleges, is debatable. In any event, the U.S. can hardly complain: it abandoned the unsigned treaty last year. However, the problem is less one of treaty violations than of threats to U.S. security which were increasing regardless of SALT II.

Deployment of the SS-24 ushers in an era of superpower uncertainty in which U.S negotiators will find verifiable treaties virtually impossible to negotiate. Ultimately this means either the Kremlin must become trustworthy, or future U.S. presidents willhave to rely yet more heavily on military than on diplomatic strategies to ensure the nation's securtity.

THE SANDINISTA'S SECRET AGENDA

HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. DONALD E. LUKENS. Mr. Speaker, I am inserting for the record an editorial by Morton Kondracke which appeared in today's edition of the Washington Times.

Mr. Kondracke, who is by no means a conservative, nevertheless recognizes the Sandinista's true agenda in recent "peace talks"—consolidation and expansion.

When even moderate-to-liberals like Morton Kondracke see through the false peace plans now being considered in Central America, it is time that the U.S. Congress does.

When Congress accepts that fact, they will also understand that without the pressure the Contras put on the only Communist government in Central America, the freedom of Central Americans is in jeopardy.

Peace, democracy and hemispheric security might be advanced by the Arias plan if democrats outside Nicaragua force the Sandinistas to live up to the accord they signed.

A debacle is more likely—the dismantling of the Contras in exchange for some token steps toward democracy. If this occurs, the United States will be seen as abandoning yet another force of indigenous fighters who depended upon us.

The third possible outcome is the likeliest: that the Guatemala plan will fall apart.

The peace plan's author, Costa Rican President Oscar Arias, said that on Nov. 7 he will "pass judgment" on whether the Sandinistas are following the plan's terms, but he is not optimistic about their compliance.

Various U.S. officials insist that when Mr. Arias met with President Reagan on June 17, he said that if the Sandinistas failed to democratize, "you will be free to do your thing." Mr. Arias denied this to me, but all over Latin America there is evidence that leaders and populations expect the United States to act like a great power and deal with the Sandinista threat.

A poll conducted by an affiliate of Gallup International—and published in Guatemala the day the Arias agreement was signed—strongly suggests that the Contra policy has public support in Central America and the Sandinistas do not.

The Sandinistas' strategy for dealing with the Arias plan seems directed straight at the U.S. Congress. They want the Contras off their backs at the cheapest possible price in terms of democratization—perhaps at no cost at all, if collapse of the Arias plan can be blamed on the Reagan administration and if furious Democrats in Congress then cut off Contra aid in revenge.

The Guatemala agreement also contains ambiguities that the Sandinistas are free to exploit in order to torpedo the pact.

The Sandinistas are spreading word that they are ready to comply with the pact's democratization requirements, and that they are likely to take steps showing good faith in advance of Nov. 7.

With respect to the Contras, the Sandinistas want it both ways: They say the force is

less than a third as big as the United States claims, that it's demoralized and having no success on the battlefield, yet also that it's the cause of Nicaragua's economic misery and suspension of the constitution under the state of emergency.

Their bottom line is that Sandinismo stands for political pluralism, a mixed economy and a non-aligned foreign policy, and that only the enmity of the United States prevents its pacific success. The logical conclusion is that the United States should cut off the Contras and give peace a chance.

But by the evidence of history and the testimony of honest people who try to live under the Sandinistas, all of this is a colossal deception.

The truth is that the Sandinistas are Marxist-Leninists, allies of the Soviet Union and believers in world revolution. Far from making life better for the Nicaraguan people, the Sandinistas have made it worse for almost everybody.

Hiding behind a "democratic mask," the Sandinistas have always acted like ruthless communists. They killed some 800 persons after taking power. Peasants in the countryside suspected of collaborating with the Contras are often jailed for years, tortured and sometimes killed. During the 1984 elections, rallies and speeches of opposition candidates were broken up by Sandinista toughs.

Amid all this, Managua is a desperate and sad city.

The Sandinistas blame their woes on the Contras and America, but they have caused most of their economic problems themselves by confiscating land and turning most of it over to collectives. The economy is ostensibly 50 percent in private hands, but the government tells businesses what to produce, what prices to charge, what to pay workers and furnishes materials—which are almost always in shortage—on the basis of political loyalty. The annual inflation rate is more than 1,000 percent.

One gets the strong feeling that the Sandinistas signed on to the Arias plan out of desperation. What the Sandinistas want is a respite from the Contra struggle, which, by their own accounts, is costing the lives of 100 soldiers a month and driving the economy to the brink of ruin.

The Contras create leverage for the United States and other democracies—almost certainly there would be no Arias pact without them—and they provide the only hope there is of making the Sandinistas live up to the terms of the Guatemala agreement.

To make this goal a reality requires determined action on the part of the world's democrats. This effort needs private financial and moral support. The fractured internal opposition needs to unify and it needs training that could come from the political parties in the United States—or, better yet, the democracies of Europe and Latin America.

Above all, the internal opposition, the Contras, the Reagan administration and the Latin American democracies need to develop lists and timetables spelling out standards of conduct that they expect the Sandinistas to meet. Watchdog groups, American and international, need to be formed to monitor Sandinista compliance, and groups such as the Organization of American States need to be ready to inflict strong sanctions if the Sandinistas show signs of cheating.

For the world's democrats to demand that Nicaragua live up to its pledge of 1987 would be a far more humane and moral way to deal with Sandinismo than the military means employed by the Reagan administration. But until such a concerted effort is under way, the United States needs to maintain the military option.

If House Speaker Jim Wright and the other Democrats are going to abandon Nicaragua, they had best get a plan ready to house the Contras, their relatives and hundreds of thousands of other refugees in the United States. The better plan is for Congress to re-fund the Contras, put the military aid in escrow, and give peace a real chance.

PUBLISHERS WAGE BATTLE AGAINST ALCOHOL AND DRUG ABUSE

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. McGRATH. Mr. Speaker, I would like to bring attention to the significant contribution the Association of Free Community Papers of Long Island has made the battle against drug and alcohol abuse in our society. The group which is made up of publishers from Nassau, Suffolk, and Queens Counties, sponsored and publicized a series of special meetings throughout the region to focus public attention on the growing threat that drug and alcohol abuse poses to our society. Officials of government agencies in the three county area made special presentations on various aspects of substance abuse in many communities.

The publishers also devoted a considerable amount of conspicuous editorial space to the promotion of drug abuse education and prevention activities.

Newspaper space, particularly in weeklies, is a valuable commodity. I commend the members of the Association of Free Community Papers for their generosity. I also congratulate them for their community involvement and commitment to helping eradicate the horrors of substance abuse. The publications involved reach nearly every home in an area of more than 4 million people. Thus, the association's campaign against drug and alcohol abuse has been a tremendous public service and resource to help deal with a critical national problem.

ON THE NATIONAL RURAL CRISIS RESPONSE CENTER

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. WATKINS. Mr. Speaker, I have today introduced a House joint resolution calling on the Congress to recognize, encourage, and support a National Rural Crisis Response Center, which is sponsored by the American Family Farm Foundation, a not-for-profit 501-3-C tax-exempt foundation formed in 1985 to promote the concept of the American family farm as an integral part of America's way of life.

There are some who say the crisis on the farm is over. They are wrong. On August 17, the New York Times reported in a page 1 story that in the past 2 years, 100 farm-stress deaths have been recorded in Oklahoma alone.

I have asked the Rules Committee to make my resolution in order as an amendment on H.R. 3030, the farm credit bill this body will be addressing Monday.

And, I have just been informed that Willie Nelson has decided to feature support of the National Rural Crisis Response Center at Farm Aid III, which will be an event of Saturday, September 19, in Lincoln, NE.

Mr. Speaker, as I said, the crisis in rural America and on the farm has not passed.

Let me share with my colleagues some facts:

The deep and severe crisis in rural America and on the American family farm is continuing.

Families are leaving the farm in record numbers and as the agriculture economy declines.

Stores are being boarded up and abandoned in rural towns and communities all across the United States.

A national survey conducted by Dr. Luther Tweeten, Oklahoma State University Regents agricultural economics professor, and agricultural economists from other southern land-grant colleges, revealed that 82 percent of Americans surveyed feel the family farm is a vital part of our heritage and should be preserved.

In August, Mona Lee Brock, a constituent of mine who lost first her farm, then her husband, stated at a Capitol grounds press conference, that during the past year there had been 54 suicides documented in Oklahoma because of the agriculture depression.

Mrs. Brock has, since her husband's death, been associated with a crises hot-line, AG-LINK, initiated by the Oklahoma Council of Churches, to respond to crisis calls from farm and rural families who have financial, legal, emotional, and medical problems associated with the farm crisis.

The National Rural Crisis Response Center is being established to serve as a national link responding to the needs of these thousands of rural and farm families. The National Rural Crisis Response Center works like this:

A person in distress will call a toll-free telephone number which will be answered by a volunteer.

Using a computer data bank, the National Rural Crisis Response Center volunteers will be able to refer the call to an appropriate local agency in the farmer's geographic area throughout the Nation to try to meet the financial, legal, spiritual, emotional, medical, shelter, or food needs.

The National Rural Crisis Response Center will be funded by private an corporate contributions with no Federal funding involved. Its neighbors helping neighbors; and

There will be no direct Federal costs involved in enacting the provision.

Mr. Speaker, I urge that my colleagues—both rural and urban—join me in cosponsoring this legislation and that it move, either as an amendment, or as a separate piece of legislation to call attention to the needs of the farm and rural community.

DIRECTOR WICK'S ADDRESS ON PUBLIC DIPLOMACY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. COURTER. Mr. Speaker, yesterday, the U.S. Advisory Commission on Public Diplomacy began holding an important conference on "Public Diplomacy in the Information Age." U.S. Information Agency Director Charles Z. Wick spoke to the assembly today on the topic of "Public Diplomacy in the Global Marketplace of Ideas." Because his address was significant, far sighted, and I believe, very well received by the audience of experts present, I think it should be reprinted in the CONGRESSIONAL RECORD so that my colleagues may give it their consideration.

PUBLIC DIPLOMACY IN THE GLOBAL MARKETPLACE OF IDEAS

(By Charles Z. Wick, Director, U.S. Information Agency)

I am delighted and honored to have the opportunity to address you this afternoon. On this 40th anniversary of the U.S. Advisory Commission on Public Diplomacy, I feel a deep sense of gratitude to those men and women who, over the years, have served on the Commission. Their advice and counsel have made an invaluable contribution to America's overseas information and cultural programs.

Over the past several years, it has been my privilege to work with Ed Feulner—a man who as Chairman of the current Commission has worked unstintingly with great dedication. And, Bob Wallach, Vice Chairman, the other members—Tom Korologos, Priscilla Buckley, Richard Scaife, Hershey Gold, and Herbert Schmertz—to each of you, let me say that your generous and productive efforts are deeply appreciated. You have performed an important service, and we salute you!

The world today is very different from what it was 40 years ago when the Commission was formed. At that time, the international structure and order inherited from the 19th century had collapsed and attempts to replace it were directed from two philosophically distinct and antagonistic power centers. This was the era of the Cold War.

America met those challenges with a sense of daring and determination. The Truman Doctrine, the Marshall Plan, NATO—these all stand as testimonials to imaginative leadership and effort. The renewed vitality of Western Europe and Japan—protected by the shield of a strong of a strong and effective deterrence—are a measure of its success.

Almost immediately, America began to move boldly beyond traditional diplomacy, and speak directly to the citizens of the world. Noteworthy were our efforts to make allies of former enemies. By 1950, twelve hundred public diplomacy professionals were running 25 information centers in the Federal Republic of Germany alone. The results were significant! Most FRG cabinet members over the past 30 years have participated in the exchange programs of those early days—long before their incumbency.

Our strong effort rested on the belief that modern diplomacy would soon have less to do with the carpeted corridors of foreign ministries than with public opinion. As Chairman Dante Fascell observed over a decade ago:

"Today the success or failure of foreign policy undertakings is frequently affected more profoundly by what people think and say than by the workings of traditional diplomacy."

America's post-war public diplomacy effort was a major success, but it was limited. Time soon ran out on the political will to sustain a large financial burden. And, the effort to reach mass populations overseas was severely limited by the technical means available.

Eventually, the financial fuel of the effort dwindled and the public diplomacy machine started to sputter. My predecessors did the only sensible thing: with fewer resources stretched over more countries, they focused and targeted. Over 97% of our cultural and information representatives came home from Germany. In Italy, all were removed from Bari, Catania, Trieste, Genoa, Palermo, and Florence.

But, in spite of these reductions, we were still able to accomplish our mission by targeting influential journalists, scholars, commentators and the like. These so-called elites carried America's message to their world—often with greater credibility than the direct voice of the U.S. government.

It was while this somewhat narrow performance was on stage that two new actors entered from the wings.

The first was the dramatic information revolution. The second—coming more recently and striding along in its wake—was Mikhail Gorbachev. Both have had a profound influence on our thinking about the future of public diplomacy.

Although the Information Age is upon us, its full and powerful sweep is still unfolding. Its force—which began as the Medieval scribes were replaced by Gutenberg's mechanical printing press—has gathered momentum and is now shaking the social, economic, political, and ideological foundations of our world.

In increasingly rapid progression have come the steam printing press, the telegraph, telephone, tape recorder, radio, television, videocassette recorder, computer, and most recently, the dazzling array of fiber optic and international satellite communication technologies.

At each stage, the limitations of time and space have been reduced to the point now where instantaneous communication from any point in this "electronic global village" can be received by hundreds of millions of people simultaneously.

The impact on our strategy has been dramatic. The inherent need to communicate with mass publics—a desire we had to suppress as we trimmed our sails and targeted only elite influentials—was suddenly able to be fulfilled. Modern technology was making it economic and efficient to reach millions upon millions of people in all corners of the globe. No longer did we have to rely solely on indirect communication through elites. Now we could reach mass audiences directly.

The global reach of the new communications technology has generated a global marketplace of ideas. And, like most markets, it is marked by disorder, conflict and the opportunity for great gain and loss.

For this reason, our failure to employ this new technology—and to use it strategically—can destroy the traditional advantages that America has had in this marketplace: the advantage of freedom; the advantage of democracy; the advantage of diversity.

Reflect for a moment! What would history say of a great nation such as ours—a nation born with these advantages—which squandered its resources and failed in the marketplace of ideas?

We can fail you know! The competition, although not naturally at home in a marketplace of ideas—or any other marketplace, for that matter—is learning fast, is unafraid to invest, and freely uses the huge advantage of deception.

This is why we have moved decisively with the expansion of major programs and the launching of new technologies: doubling Fulbright exchanges; expanding our international visitors program; modernizing and expanding the Voice of America, and starting Radio Marti; creating the global satellite television network—WORLDNET using satellite communications to send our Wireless File direct to foreign media, and to speech information to important foreign groups through our libraries abroad; and our major new overseas book development and English language programs.

We know only too well—as does Gorbachev—that, fed by a steadily improving system of instantaneous global communication—world public opinion is gradually emerging as a potent force capable of decisive influence over the policies and conduct of governments—no matter how popular or how dictatorial.

Consider the following: Audio cassettes—recorded in Paris by Khomeini and smuggled into Iran—helped overthrow the Shah. And with disastrous consequences! Fundamentalist Moslem ideas are threatening the power balance in the Middle East. A $100 million Soviet disinformation campaign stopped the U.S. deployment of the neutron bomb. False claims—trumpeted over the Soviet Union's National Radio of Iran—that America desecrated the Holy Place at Mecca led to the burning of the U.S. Embassy at Islamabad.

But, Free World radio broadcasting to the Polish people helped forge the united front of Solidarity. International telecommunications helped the bright lure of a democratic future sweep through El Salvador, the Philippines, and South Korea.

And the litany goes on!

Every day—from any where—a new story unfolds, ripples through the marketplace of ideas, and brings the force of public opinion to bear on the emerging events.

Today, in Beirut, Seoul, or Chernobyl in Johannesburg, in Geneva, or Managua. Millions of people—separated by geography, but united through the modern miracle of telecommunications—are swept into the rite of participation. As in a Greek drama—and often guided by the loudest chorus— a moral sense envelopes the participants, crying out for action and eventual resolution. And, increasingly, those in responsible positions are compelled to respond.

It is this modern: drama that we must understand. We must understand the choruses, the actors, and those who move them.

There is no doubt that Gorbachev does. Utilizing the most modern means of satellite telecommunications, he has embarked on an adventurous public diplomacy campaign, a campaign assigned to present a new image of openness to the world.

His tactic is clear—it is to have Soviet-informed world public opinion pressure free world governments—particularly those of Western Europe, Japan, and the United States—to act in a way favorable to Soviet interests.

His strategic-objective remains the same—it is to resurrect the credibility of Marxism-Leninism, to achieve political legitimacy in

the West, and to bring about the rupture of the Western: Alliance by employing Lenin's own dictum that "ideas are much more fatal than guns."

Ideas? America also believes in ideas—the ideas of freedom, democracy, and diversity—and they give us a decided advantage. Gorbachev is limited by the oppressive bureaucratic rationalism of Marxism-Leninism.

In truth, Gorbachev's campaign of "glasnost," or openness, disguises an essentially closed society. "Glasnost" continues to be "gloss-over-nost," and seeks the triumph of deceit and deception over truth and honesty. A taste of Soviet "openness" does not always work to his benefit. Those with a taste of freedom should not learn too much about this new "glasnost."

Faced with these limitations, Gorbachev has focused international attention on a myth—the myth of "openness"—and he has raised the manipulation of truth to new heights. Novosti—the Soviet world-wide wire service—TASS, and Radio Moscow daily blast outrageous falsehoods about the United States, its officials and institutions.

And his reach is growing. Moving decisively to employ the latest communications technology, he has established an extensive system of earth receiving stations and geosynchronous satellites.

Today, Soviet television can be received in Western Europe, North and Central America, Southwest Asia, North Africa, and the Middle East. Just this past March, an agreement was signed with two television companies in Argentina to relay Soviet television programs to that country, and 20 other Latin American countries. Cable News Network now brings Soviet news and programs into this country.

Fortunately, USIA had begun to deploy the new satellite technology prior to Gorbachev's rise to power. By combining this new technology with our traditional programs, we forged a powerful instrument for peace.

And, we have aggressively shown that, while America continues to offer the hope of freedom, the Soviet Union—despite the vague promises of "glasnost"—offers little more than oppression.

We began this satellite effort in late 1983 with the creation of WORLDNET. Through WORLDNET, we have been able to project by satellite around the world foreign media interviews with Administration spokesmen, and news, educational and cultural programs. With a Congressional mandate, we created Radio Marti to beam the truth about America and the truth about Communism to people trapped behind Cuba's "sugar cane curtain."

The modernization of the Voice of America's transmitting facilities—now being jeopardized by an interruption of funds—will insure that its message, in 44 languages, can reach virtually all of mankind more clearly.

The slow, uncertain radio telephone—bedeviled by atmosphere conditions in transmitting our news service, the wireless file—has been replaced by instantaneity and the accuracy of modern satellite telecommunications.

We can now deliver this resource by satellite—not only to our embassies and posts—but directly to newsroom editors overseas who influence public opinion. This greatly strengthens our ability to try to compete with TASS and Novosti.

With material underwriting from the Federal Republic of Germany, we are establishing a television counterpart to our radio station in Berlin—RIAS or Radio in the American Sector. Through RIAS-TV, we will be able to vault the "wall of suppression" which surrounds that city and to broadcast the message of freedom to the people of East Berlin and the German Democratic Republic.

Notwithstanding these dramatic developments, USIA continues to stress the importance of communicating through people-to-people programs.

Indeed, during the Reagan Administration, these programs have been enhanced considerably. USIA's budget for educational and cultural exchange programs—including Fulbright scholars and International Vistors—has increased by 115% since Fiscal Year 1981. Under the President's Youth Exchange Initiative—a program designed to correct misimpression in the critical formative years—over 22,000 additional exchanges have been stimulated by USIA grants.

We have established the Central American Undergraduate Scholarship Program to address the misperceptions about America which exist throughout the region.

We are implementing the President's U.S.-Soviet Exchange Initiative to raise mutual understanding with our principal adversary to a new level.

We are training Afghan journalists so they can report the appalling truth of their struggle to the rest of the world. We have strengthened our worldwide English teaching effort. We have developed—in partnership with MacMillan Company—a new audio visual English teaching program which can be used in homes, classrooms, and over radio and television stations around the world.

We have expanded our book translation programs—particularly in Central America—and are lifting the veil of ignorance about America.

Yes, we are doing our best to propel America into this new era. But, to successfully execute a coherent strategy, all the available means at our disposal must be part of a single institutional entity. USIA has the central responsibility for American public diplomacy. The Advisory Commission has been a forceful advocate—and constructive critic—on our behalf.

The significance of a unified public diplomacy effort has also been recognized in the Congress. Through the untiring efforts of Congressmen Dante Fascell, Dan Mica and Congresswoman Olympia Snowe, the wise leadership of Congressmen Neal Smith and Harold Rogers, for whom USIA can only be most grateful—the inspiration of Senators Pell, Lugar, Hatfield, Rudman, and so many others—we now have that unity of purpose and unity of resource to be effective.

Yet, there exists a misunderstanding of the real need for a unified public diplomacy mechanism—a viewpoint that would splinter the effort and destroy the possibility for a well-designed, comprehensive strategy to meet the challenges of the information age. They would dismantle USIA into its component parts and: create an independent broadcasting entity; move educational and cultural exchanges to other institutions; relocate information and advocacy programs elsewhere in the Government.

I strongly disagree. To do so would weaken the effectiveness of all the programs. The strength of our public diplomacy depends upon utilizing the synergism of many different resources in a coordinated manner so as to effectively present the broad spectrum of American society, American political opinion, and Administration policy.

Any one of our initiatives often puts in service a variety of USIA capabilities—VOA editorials, TV, AMPARTS, Wireless File, electronic dialogues, conferences, exchanges—not to mention the coordinated relationship they all have with 217 USIA posts worldwide, State, the NSC, Defense, and other branches of government.

To fragment these resources will only fragment our purpose and lead to a deterioration of overall effectiveness.

Finally, let me remark that the success of America's public diplomacy depends—ultimately—on the kind of people we as Americans are. The moral sense of honesty and fair play that lies at the root of American life is the basic foundation for all the Agency does.

America's commitment to truth and justice, mandates USIA to pursue effective advocacy and dispassionate scholarship side by side. These principles allow us to distinguish news from editorials without diminished effect.

These principles allow us to conduct a bold defense of U.S. policy, and yet be forthright. These principles allow us to broadcast the Iran-Contra hearings as a testimony to the strength of our society. These principles allow us to send our Artistic Ambassadors overseas to be compared with professional performing artists anywhere.

Without a sense of fidelity to those two principles of truth and justice, we would fail as advocates. And we would certainly hear about it from the Congress, the President, and most certainly, from Ed Feulner and his Advisory Commission colleagues.

In closing, let us cast our gaze on the new emerging communications technology.

The prospects it offers America's public diplomacy stimulate the imagination. And yet—even the most creative imagination will probably fall short of the dazzling future.

One can see the President communicating instantly at the flip of a switch—over thousands of miles—with any government leader.

One can see our alliances made closer, more immediate, and our conflicts made less prone to dangerous accident and misunderstanding.

One can see people everywhere—people who can never hope know America firsthand—relaxing in their homes, hearing words and seeing pictures about life in America.

One can see these same people—men, women, and children—thus better able to withstand the wrenching impact of deliberate falsehood and distortion of America.

Yes, one can see a new era. Imagine with me for a moment.

The new emerging technology is opening hitherto closed windows and doors. It is allowing freedom to shine in radiant splendor. Distances collapse. . . . Time evaporates. . . . Men and women pause. . . . Fresh breezes blow and warm the imagination with manifold visions of a true spring.

The landscape becomes alive with promises for a better tomorrow.

Human passions begin to stir and a sense of excitement and anticipation grips the soul.

For a "brief, shining moment" the cold, dark winter clouds of spiritual oppression and human misery—usually broken by only an occasional, but retreating ray of hope—those dark winter clouds . . . begin to recede.

I see that for so many individuals—in so many parts of the world—the new technology has become a light, a light that illumines the mind and warms the heart, a light that slowly, but inexorably germinates the seeds

of freedom that lie in the inner recesses of the spirit.

Yes, I see a light that draws men and women closer together, uniting them in that often painful march to the dawning of a new spring—realizing at last the promise of "peace on earth and good will toward men."

SEMINOLE INDIAN LAND CLAIMS SETTLEMENT ACT

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. LEWIS of Florida. Mr. Speaker, as the House Member who represents two of the three Federal Seminole Indian Reservations in Florida—Brighton and West Big Cypress—I am proud to introduce the Seminole Indian Land Claims Settlement Act of 1987.

This legislation is not only of vital importance to the Seminole Indian Tribe of Florida, but also to a variety of non-Indian Floridians whose water and property rights are beneficially affected by the settlement this bill approves. Under this precedent-setting agreement, long-standing claims of the Seminole Tribe to land and water rights will be amicably settled, to the benefit of the tribe and its members, as well as the people of Florida.

Specifically, the Seminole Indian Tribe has agreed to sell to the State of Florida, at its appraised value, six sections of land in Palm Beach County from the northeast portion of the East Big Cypress State Reservation. The State has agreed to preserve this land perpetually in its natural state.

The tribe will also relinquish claims to 19 whole or partial sections of land in Broward County on the east end of the East Big Cypress State Reservation, to be included in conservation 3A and managed by the South Florida Water Management District [SFWMD]. In turn the State will transfer in trust to the United States, for the benefit of the Seminole Tribe, some 15 sections of land on the western end of the East Big Cypress State Reservation, three of which are presently subject to a flowage easement. The SFWMD has agreed to release this flowage easement on these three sections.

The dispute about rights to the flow of water across the State-recognized Seminole Reservation has prevented the tribe from developing its land, and the SFWMD and the State from implementing a flood control plan in neighboring Hendry County. Under the terms of this settlement or compact, the tribe has agreed to drop its lawsuits and its opposition to the flood control plan, and to preserve specified wetlands in the land area which will be placed in Federal trust for the tribe. The SFWMD will provide technical assistance to the tribe needed in developing a surface water management system for farmlands in the Big Cypress and Brighton Reservations.

The settlement which this bill is intended to ratify will impose no new costs on the United States. However, if litigation were to continue because the Congress does not act promptly to approve this legislation, the results could be very expensive indeed. Under its responsibility to protect the trust resources of the Seminole Indian Tribe, the United States would be obligated to financially support the tribe's suit.

This compact has already been approved by Florida Governor Bob Martinez and the cabinet of Florida, both houses of the State legislature, by the South Florida Water Management District and by the Seminole Indian Tribe themselves. Companion legislation was introduced in the Senate yesterday. My legislation merely expresses necessary congressional approval of these land transactions, and as I have stated previously, will involve no Federal payments.

If not fully approved soon, this settlement could begin to unravel, costing the tribe, the people of Florida, and the taxpayers of the United States significant amounts of money. Therefore, I urge all my colleagues to join with me in moving this legislation expeditiously through the Congress.

IN HONOR OF JUDGE MARY F. McDEVITT

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. HERTEL. Mr. Speaker, I rise today to mark 30 years of dedicated service by the Honorable Mary F. McDevitt, 39th District Court Judge in Roseville, MI.

Mary McDevitt was raised in an atmosphere of law and justice, with her father an attorney and her mother an elementary school teacher and principal in Roseville. She attended school locally and received her law degrees from the prestigious Detroit College of Law.

Her dedication to her law career began early as she worked full-time while taking prelaw classes at night. She continued with part-time work during law school. After graduation, Mary McDevitt took a position with the legal department of a local company and was appointed as an aide to the Macomb County Probate Court. She continued this through 1956, when she opened a private law office and later began serving as part-time judge.

In 1957, Mary McDevitt was elected Erin Township Justice of the Peace. The next year, she became Roseville Municipal Judge and served in that capacity until 1968. In 1969, Hon. McDevitt began serving as 39th District Judge and has been elected every 6 years since then.

In addition to her duties as judge, Mary McDevitt has participated in a number of civic and professional organizations. A few of these include the American Bar Association, the State Bar of Michigan, the Macomb County Bar Association, the American Judges Association, the Women Lawyers Association, and the American Judicature Society.

I would like to ask my colleagues to join me and her many friends in honoring Judge McDevitt's 30 years of community service and dedication. Her contributions have been more than appreciated.

ROAMIN' DAKOTA

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, a North Dakota columnist named Wayne Lubenow writes a weekly column entitled "Roamin' Dakota".

In a recent column, he commented on the Persian Gulf, the minesweepers, the U.S. Navy and Abdul and Ali.

Sometimes, a tongue-in-cheek column contains a powerful message and I decided I wanted to share Wayne Lubenow's column with the rest of my colleagues by having it inserted in the CONGRESSIONAL RECORD.

ROAMIN' DAKOTA

(By Wayne Lubenow)

If it weren't for my advancing years, a touch of arthritis in my right shoulder, a left knee that pops in & out & a wife who won't let me cross the street without guidance, I'd join the Navy again.

See, the first time I joined the Navy—it was in 1943—they put me on an aircraft carrier & sent me to the South Pacific & people shot at me & crashed airplanes into us & stuff like that.

This time I would promptly volunteer for duty on a U.S. Navy minesweeper. Frankly, I'm surprised that thousands of young men aren't lined up at Navy recruiting stations demanding to serve on a minesweeper.

That's because our minesweepers don't go nowhere.

No, they sit in ports along the East Coast where there ain't no mines & the crew gets to go on liberty every night & the livin' is easy.

Meanwhile, our Kuwaiti-turned-American supertankers are hitting mines in the Persian Gulf. (Well, one mine, anyway.)

It is mystifying to an old sailor like me why we don't have minesweepers where the mines are.

(Of course, for 3 years the whole Navy chain of command was mystifying to me.)

In World War II we always had minesweepers leading an assault on an enemy-held island or almost anywhere our fleet went.

That was so none of our ships would hit mines which I thought was sound strategy.

I guess it's different in this electronic age of push-button warfare.

Still, the scenario seems like something right out of the Keystone Kops.

President Reagan announces that America will put American flags on Kuwaiti oil tankers & that our fleet will escort them through the Persian Gulf.

So here's the Pentagon people in a huddle, all the top-ranked admirals & generals & a passel of collegebred civilian advisors who got more degrees than a thermometer.

"Here's how it stacks up," says Admiral A.J. ("Old Blood & Guts") Barnacles, "Them Iranians got some Silkworm missiles from China, but we can smack 'em. Yes sir, boys, we got the capability to destroy their missiles or any suicide planes that come in or any suicide gunboats. That's because we got the ultra-super, neon-colored, heat-seeking, radar-lock, brain-cell guided, teflon-coated, Vitamin-enriched FHT4987 anti-anti missile-missile."

Well, this so encouraged the gang in the Pentagon that they broke into a couple of choruses of "Anchors Aweigh" & began hollering things like, "Remember Pearl Harbor."

One old admiral, who apparently had too much lunch, lurched to his feet & toasted, "Back to Grenada, boys."

So in a well-publicized maneuver, our fleet began convoying those 2 Kuwaiti tankers through the Persian Gulf. Our boys were ready & loaded for bear.

Over on the beach a couple of Iranians were talking. "Hey, Ali," said one, "Have we still got a mine left & have we still got that old boat with the 40-horse Johnson motor?"

"Yeah, Abdul," Ali says, "It's laying around somewhere."

"Good," Ali says. "Hey, let's go put a mine in the path of that American convoy."

"Why not?" Abdul shrugs, "but how do we know they'll hit it?"

"Are you kidding?" Ali says, "We know their course & they're steaming in a straight line. They ain't even zig-zagging. What's more, they ain't got no minesweepers."

"Geez," Abdul says, "That's hard to believe. We been mining this gulf for 7 years & a lot of ships have gone down. The Russians are using minesweepers. Are you sure they ain't got none?"

"Trust me," Ali says, "They ain't got none. All they got is the ultra-super, neon-colored, heat-seeking, radar-lock, brain-cell guided, teflon-coated, vitamin-enriched FHT4987 anti-anti missile-missile."

"Wow," Abdul says, highly impressed, "What if they hit our boat with that?"

"Don't worry," Ali says, "They probably ain't got it turned on."

FIGHT FOR HUMAN RIGHTS MAY FIRE POLITICAL REFORM

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. SAXTON. Mr. Speaker, I would like to bring the following article to the attention of my colleagues who may not have seen it yet. In this article, Natan Sharansky warns us against separating human rights issues from other dealings with the Soviet Union. This is a very timely piece, in light of Soviet Foreign Minister Shevardnadze's visit to Washington.

FIGHT FOR HUMAN RIGHTS MAY FIRE POLITICAL REFORM

(By Natan Sharansky)[1]

At 11 one night in 1982, my wife, Avital, called a friend of Prime Minister Margaret Thatcher's. It was my fifth year in the gulag and she had just heard through the grapevine ominous reports about my health. She wanted Mrs. Thatcher to bring up my case with a Soviet official scheduled to meet with the prime minister the next morning.

Obviously peeved at being awakened, Mrs. Thatcher's friend demanded, "Do you think the whole world revolves around your husband?" Avital retorted: "You should thank God for the opportunity to participate in this struggle. Without freedom for people like my husband, there is no freedom for anyone. Not for you, not for me." He seemed to agree. And so did Mrs. Thatcher, whose efforts for Soviet Jewry and human rights in the Soviet Union have been consistent and forceful.

Yet the question of the primacy of the human-rights issue in dealing with totalitarian countries is nevertheless a nagging one—and one that is highlighted this week by Soviet Foreign Minister Eduard Shevardnadze's visit to the U.S.

The Soviet treatment of human rights is so much a part of its policy toward the West that it is impossible to view it as a separate issue. Throughout Soviet history there have been periodic "openings" to the West, dictated by the need to salvage a chronically tottering economy by harnessing Western resources. They are usually accompanied by internal reforms, whose aim is to make Soviet bureaucracy less corrupt and inefficient, and Soviet society more palatable to the free world. But Soviet leaders are always careful to restrict reforms to the superstructure. Free access to Western ideas and real freedom of speech, action and movement are viewed as threats to the foundations of the system.

Regardless of the degree of "openness" toward the West at any given time, the Soviet Union has supported violent movements and regimes. It is as comfortable with such regimes as it is uneasy with democracies. In this, nothing has changed.

In other areas there have been some dramatic changes. Mikhail Gorbachev has instituted reforms intended to decimate the bureaucracy and increase productivity. And in an effort to forestall American strategic superiority and eliminate the threat of the Strategic Defense Initiative, he has adopted a conciliatory attitude in arms talks.

He has recognized the need to placate artists and intellectuals, chafing at the sight of fewer restrictions in other communist countries, and has allowed the publication of some of the books formerly on the Soviet Index. Most of these are, however, by dead authors. The dissenting living are still banned.

Some political prisoners have been released, but unlike their predecessors in Khruschev's time, they have not been rehabilitated; others still linger in prisons and psychiatric wards. The emigration of Jews has increased from less than a hundred a month in recent years to 500, but it is still a fraction of the annual rate of 50,000 in 1979, and a trickle when measured against the 400,000 who have expressed their desire to leave. A new draconian emigration law restricts applicants to those with relatives of the first degree living abroad. It thus disqualifies more than 90% of potential Jewish emigrants.

Image-building is enjoying top priority today. Soviet officials are no longer evasive and elusive. They seek the press with Madison Avenue savvy, with protestations of friendship and flexibility.

Image-building was also a primary concern in the detente of the 1970s. It permitted the Soviets to exploit public pressures created in the open societies of the West while nipping in the bud any such pressures at home. And while the West was preaching and implementing disarmament and disengagement, the Soviet Union was making violent forays into Ethiopia, Angola, the Middle East, Afghanistan and Nicaragua. When such groups as Helsinki Watch, Amnesty International and Free Trade Unions, supporters of nuclear-free zones inside the Soviet orbit, and Eurocommunists began to sprout in the Soviet Union, the KGB arrested them with ruthless dispatch. One of my fellow prisoners then named us "the hostages of detente," predicting that we would be used as bargaining chips and released at the next detente.

It was during the detente of the '70s that the U.S. Congress recognized the need to link adherence to human-rights agreements with trade agreements. In 1973 it passed the Jackson Amemdment, which is based on the premise that liberalization of Soviet human-rights policies is an indication of Soviet good faith and that the absence of such good faith makes helping the Soviet economy unacceptably risky.

This concept of "linkage" was expanded in the 1975 Helsinki accords, which packaged commitments to human rights with security arrangements in Europe and Western recognition of the postwar borders. Not surprisingly, the Soviets have been trying to unlink these ever since. Now, in the euphoria of *glasnost*, they are trying to implement their own version of linkage; extorting concessions on policy in exchange for releasing some of the hostages of detente. If the West permits itself to fall into this trap, there will be no end to it; the political price for each hostage will rise with each transaction.

The West must realize that Soviet non-adherence to human-rights contracts is not merely a humanitarian problem. On the simplest and most pragmatic level, it raises the question of credibility. Is it wise to rely on any agreements with a government that has shown nothing but contempt for its own signature on numerous agreements? Just as questionable is the West's readiness to do business with a regime whose trampling of human rights is inseparable from its global anti-Western aggression. Under such circumstances, when business dealings, technology transfers and scientific exchanges are separated from the human-rights issue, it is indeed a case of selling the Soviets the rope with which to hang the democracies.

Fighting for human rights in the Soviet Union is as politically prudent as it is morally right. It can give an impetus to the carefully controlled reforms until they acquire a momemtum of their own and bring about real change, and it can ultimately moderate Soviet foreign policy at a point where cooperation between the superpowers will be safer than playing Russian roulette.

[1] Mr. Sharansky was imprisoned for nine years in the Soviet Union. He now lives in Jerusalem.

REPRESENTATIVE MEL LEVINE PROPOSES "INVESTING IN A NEW AMERICA"

HON. BUDDY MacKAY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. MACKAY. Mr. Speaker, our colleague MEL LEVINE recently delivered a thoughtful and visionary speech to the San Francisco Rotary Club about the future of America's economy.

While noting such healthy economic indicators as today's low inflation and unemployment rate, Representative LEVINE cautioned that today's prosperity is based upon growing and unsustainable debt. "How long can the world's largest debtor remain the world's greatest power?" he asked.

Congressman LEVINE proposed a different course in his speech: "Investing in a New America."

He stressed that America is undergoing a fundamental economic transition which requires major investments in our education, job-training, and technology commercialization systems. He particularly emphasized the need to focus our attention on long-term solutions to these problems and on the discipline to accomplish these focused goals.

Representative LEVINE also rightly noted that the key to changing America's present economic course is ethical and moral, not technical. Quoting Norman Lear's observation that "the societal disease of our time is America's obsession with short-term success," Mr. LEVINE called for a return to an "older ethic built upon the ties between the generations, and a commitment to those who will follow us."

Mr. Speaker, these insights speak to us in Congress as much as to the American people, and I hope as many of my colleagues as possible will find time to read this speech, which I insert in the RECORD at this point:

INVESTING IN A NEW AMERICA

INTRODUCTION: THE BEST AND WORST OF TIMES

Many of us are confused by today's economic news. On the one hand, we are heartened by reports that today's 6 percent unemployment rate is the lowest since 1980, inflation appears under control, and the Dow Jones has passed 2600. We're in the 57th month of one of the longest recoveries of the post-war era, and it was even reported last week that the poverty rate had fallen to the lowest level since 1980.

But if we are heartened by the good news, most of us are also troubled when we read that America has become the world's largest debtor in just the last three years; that we today owe some $350 billion to foreigners, and could owe as much as $800 billion by 1990; that 31 states have been in a near-recession, and that hundreds of thousands of farmers, energy, auto and steel workers have lost their jobs and livelihoods; that a presidential commission reports America has lost its lead in 7 out of 10 new sectors like electronics and semiconductors, as well as autos and steel; and that recent trade deficits mean that Americans have consumed $500 billion more goods than they produced during the last 4 years.

What are we to make of all this? How can we be enjoying such a long recovery while simultaneously piling up debt and losing our competitiveness? Can these simultaneously be the best and worst of times?

The answer, I'm afraid, is yes. Experts of all political persuasions agree that today's strong recovery is a result of a borrowing binge threatening serious trouble in the years ahead.

It is as if you or I spent a $50,000 bank loan on clothing, cars and vacations this year. We would have enjoyed a dramatic personal "recovery" now. But future years could see our standard of living drop dramatically as we were forced to use large portions of our salary to meet loan repayments.

As Paul Volcker testified to Congress last year, "we are living beyond our means. That might be acceptable if we (had) a surge in productive investment, but we (do) not. These are not conditions that are sustainable for long".

Conservative professor Alan Meltzer says that "America's main economic problem is that we consume too much relative to what we produce. Since our borrowing is used mainly to finance consumption, we live better now but leave a debt to be serviced and paid in the future (by us) or our children".

Liberal investment banker Felix Rohatyn writes that "American fiscal folly, coupled with the inability to coordinate economic policies with Europe and Japan, has created an ever-increasing worldwide pyramid of debt that cannot withstand a major recession."

History will regard with special irony the fact that a Republican Administration that speaks so much of renewing American strength may have done more to weaken this nation than any Presidency since Calvin Coolidge. To those who doubt this, I ask one simple question: how long can the world's largest debtor remain the world's greatest power?

The answer is self-evident, and I suggest to you today that it is time to seek an alternative.

It is time to launch new initiatives to rebuild America. Our top national priority must be to strengthen our economy. With a strong economy, we can meet such other national goals as cleaning up the environment, ensuring a strong defense and ending poverty. Without a strong economy, we can do none of these things.

And the key to a strong economy is to invest in America.

We cannot borrow our way to prosperity—both history and logic suggest that no nation can indefinitely go into debt.

Nor can we become strong at home by engaging in foreign scapegoating abroad. Yes, the Japanese and others have engaged in unfair trade practices. But even if they ended these practices overnight, it would not have a major impact on our trade deficit. We will solve our trade crisis only when Americans themselves are offered high-quality American cars superior to Hondas, or top-flight video cassette recorders that are better than Sonys. A strong economy must begin at home.

And so does a strong foreign policy. America became a great military power because of its strong economy—not vice versa. If we continue to dissipate our national wealth on foreign adventures and a nuclear arms race at the expense of investing in our own economic strength at home, we will decline as a great nation as have all other great powers before us—and for precisely the same reasons.

Clearly the time has come to once again invest in ourselves—turning from foreign scapegoating to a far more exciting endeavor: seeing our schools unleash the creativity and imagination of our young people and once more become a model for the world; ensuring that we become a nation of lifelong learners, learning challenging new skills and information as frequently as we change jobs and careers; re-igniting the "Yankee ingenuity" that has been our national pride, as we rebuild our manufacturing prowess and once again experience the satisfaction of knowing that the world is turning to products and services that are "Made in America."

The reason why investing in ourselves is the key to our future is simple, but profound: the world today is in the early stages of an economic transition that will transform our lives as dramatically as did the Industrial Revolution.

At home, America is switching from a resource to knowledge-based economy, in which success depends upon small, entrepreneurial service and flexible manufacturing firms rather than the large resource-based corporations which powered our previous mass manufacturing growth. Cheap oil and abundant land once powered our growth. Today it is knowledge—the skills and adaptability of our workers, the brainpower of our scientists and engineers, and the literacy of our population.

Abroad, we are increasingly part of a global economy in which our strength depends upon allied cooperation and Third World development.

This transition to a global knowledge economy offers tremendous promise of America. We may have lost our former competitive advantage in cheap resources, and face stiffer competition from the increased sophistication and cheaper labor of foreign competitors. But we possess something far more important: the world's most innovative workforce and technology base. America, in short, has precisely the knowledge base needed for success in a knowledge economy.

If America's future can be bright, however, getting there will not be easy. For any transition requires disruption and change.

There is no single magic policy bullet that can save the American economy. If supply-side tax cuts were not the answer, for example, neither are tax increases. Instead, we need to reorient dozens of policies towards productive investment which, together, will unleash the massive new wave of investment needed to remake the American economy.

Increasing productive investments is not simply a question of "spending more money." The sad fact is that much of our present investment is misdirected. Overall American spending on education, for example, has risen steadily in the past decade—even as Scholastic Aptitude Test scores dropped 74 points between 1963 and 1986. Too much education spending has gone into increasing administrative personnel rather than targeting an increase in the quality and quantity of classroom teachers. There must be a major focus on redirecting existing investment.

At the same time, however, we cannot delude ourselves that simple redirection of investment will solve our problems. America must also increase its overall investment levels if it is to remain a great power.

And we must move also beyond the stale debate which sees some Americans focus on attacking government and others on attacking business. When America has moved forward—whether during World War II, or our post-war success in space, aerospace and agriculture—government, business and academia have joined together to do their respective jobs better. The issue for the '90s is not more or less of government or business, but better government and business.

The time has come to lift our sights beyond the debates of the past and instead set a great national goal for the future: this nation should commit to ensuring that America has the world's finest workforce and technology base in the year 2000. A comprehensive economic strategy is needed to: (1) boost investment in people; (2) promote technology commercialization; (3) create an overall climate for investment and entrepreneurialism; and (4) remake the world economy.

Investment in people

We need to increase our investment in creating the world's finest workforce by (a) improving education by increasing the number of hours our students learn, raising classroom teacher salaries, providing incentives to schools to perform better—particularly in communication, math, science, foreign language and engineering skills—tripling Head

Start and compensatory education programs to reach all those in need, and developing a new system of financing college and post-secondary vocational education; (b) upgrading job-training by increasing our commitment to the Job-Training Partnership Act, ensuring that its focus on involving employers also applies to high school and community college programs, and increasing training and aid to displaced workers; and (c) improving on-the-job productivity by promoting pay-for-performance standards, redesigning jobs to give employees more say over their conditions of employment, providing family support such as parental leaves for an increasing number of workers who do not have anyone at home to look after their infants.

Investment in technology

At the same time, we also need to do more to commercialize new technologies. The challenge is to ensure that the U.S. has a civilian capacity to bring these breakthroughs to the marketplace by developing joint industry-government commercialization efforts.

The semiconductor industry, for example, has recently developed a trail-blazing proposal called "Sematech," which would be a joint effort between private industry and government to develop the generic manufacturing technologies needed to regain our lead in semiconductor production. What is important about this proposal is that (1) industry is putting up significant amounts of its own funds before asking for governmental assistance, and is taking responsibility for the project's success or failure in a sector where they have a proven track record; and (2) it can be demonstrated convincingly that this project is necessary because its top competitors have successfully used government aid to take market share from U.S. companies. I believe that Sematech should not only be supported, but become a model for industries across America that can meet similar criteria.

Another top priority is ensuring that America has the capacity to aid projects like Sematech. The only place to look for such funds today is the Defense Department, which obviously is not in the business of commercializing new technologies. I think the time has come to develop a civilian capacity to support our manufacturing sector. Accordingly, I have introduced along with Senator Glenn a proposal for an Advanced Civilian Technology Agency or ACTA, which would give the Department of Commerce the capacity to commercialize new technologies. At a time when the Japanese are poised to make new commercial breakthroughs in everything from superconductors to supercomputers, I believe that America has no higher priority than supporting this proposal.

A national commitment to creating the world's finest workforce and technology base in the year 2000 can only work, however, if we also move to create a new national climate to support savings, entrepreneurialism, and long-term thinking by both business and government.

Reducing the fiscal deficit is an essential first step toward increasing the pool of capital available for investment. But we also need to increase incentives for individuals to save, rethink pension fund investment priorities to promote more productive investment, and discourage the kind of excessive takeover activity that breeds short-term rather than long-term thinking. It is particularly important that we do more to spur the small business and entrepreneurial risk-taking upon which so much of our future job and economic growth depends. And while it is premature to talk of further tax reform at this point, we may also eventually have to consider doing more to ensure that our tax code equitably encourages investment and discourages consumption.

Finally, it is particularly important in this age of growing global interdependence that we do more to remake the world economy so that it comprises a growing market for our goods.

If America's economy is to expand in the 1990s it will have to be by developing markets in the Third World to replace the European and Japanese markets to which we once sold. We need to develop a new international regime, as we did at Bretton Woods after World War II, that sees the Third World end its debt crisis, resume growth, and serve as an expanding market for our goods. The time has come to develop policies that will see increased Third World demand for American products, and increased private investment flows to replace reduced foreign aid and commercial bank loans.

CONCLUSION: OUR CHALLENGE IS MORAL NOT ECONOMIC

The fact that most economists would agree with most of the policies suggested above suggests perhaps the most important point about our present economic condition: our problems are political and moral, not economic and technical.

We need as a nation, of course, to discuss economic policy. But we need even more to discuss the moral and political shifts needed to make such policies a reality.

There is no more important strain in American history than the focus on the individual and, yes, individualism. I personally believe that if there is one single cause of America's greatness, it is both its respect for individual rights and its encouragement of individual initiative.

But if America was built by individuals standing alone, it was also built by individuals standing together. As important as individualism has been as a theme during our history, so too has been the importance of community—from the frontier wagon-trains that settled America to the New Deal which saved it from the Great Depression to voluntary organizations such as this which make so great a contribution to the quality of American life.

There was, I believe, much that was healthy in the early '80s reaction against "too much government," including the need to cut bureaucracy, dependence and over-regulation. Now, however, the pendulum has swung too far towards a narrow kind of individualism that threatens each of us as individuals. It is time for the pendulum to swing back towards the middle, towards a better balance between the individual and community, rights and responsibilities.

Such a new American community will need to be guided, it seems to me, by three basic principles:

(1) Growth requires discipline:

This generation of Americans has enjoyed a unique historical moment in which the destruction of our allies after World War II, our access to cheap resources, and our superior know-how created the world's first consumer society. Today, however, this moment is passing. Allies have been rebuilt and often out-compete us, and resources are no longer cheap nor the key to growth. It is time to return to the values which built this country: hard work, discipline, duty to nation over self.

Students need to study more, managers manage better, and workers work harder. It is time to return to an ethic that asks what we can do for our country, beginning with making whatever national investments are necessary to ensure America's continued greatness. This is the kind of patriotism that will save America rather than continuing to see its treasure dissipated in foreign adventures and a nuclear arms race we cannot win.

(2) Growth requires participation and equity: No one group of Americans is rich enough to finance America's rebirth. If all Americans are going to be asked to pitch in, however, they will want to be assured that commitments to invest are shared fairly, and that they have a greater say in the basic decisions that affect their lives—particulary in the workplace.

(3) Growth requires concern for the future:

Above all, the new American community requires a new focus on long-term thinking—not only about where we will be a decade from now but what kind of society we are leaving our children.

Norman Lear has recently written, "the societal disease of our time, I am convinced, is America's obsession with short-term success, its fixation with the proverbial bottom-line * * * America has become a game show. Winning is all that matters. Cash prizes. Get rich quick. We are the captives of a culture that celebrates instant gratification no matter what the larger costs.

I believe it is time for the pendulum to swing back towards an older ethic built upon the ties between the generations, and a commitment to those who will follow us.

Our grandparents and great-grandparents took it for granted that they would leave a better society for us than the one they found. They were willing to work hard, save, invest and do whatever else was necessary to make sure that we were better educated, clothed and housed than were they.

That was America. That was investing in a new America.

We can, we must, do no less for our children.

INTRODUCTION OF THE CHILDREN'S TELEVISION ADVERTISING PRACTICES ACT

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. BRUCE. Mr. Speaker, it is my pleasure today to join with five members of the House Subcommittee on Telecommunications and Finance in introducing the Children's Television Advertising Practices Act. This bill will encodify the pre-1984 FCC guidelines regarding children's television advertising.

In 1981, The FTC's final staff report and recommendation in the matter of children's advertising noted that out of respect, or a desire to please, children are prone to accept any role model. Consequently, children place indiscriminate trust in television advertising. Also, until children reach an age at which they can understand that a commercial is a selling tool they are clearly being deceived.

Frankly there was nothing new about this finding. Mainstream psychological research

had long ago found that young children believe that fictional characters appearing in television advertising want to help them, that they perceived the selling figures as friendly, sincere, honest, and worthy of imitation.

Realizing this, the National Association of Broadcasters published its "children's television advertising guidelines." This code responsibly outlined the public service responsibilities of broadcasters and weighed them against the practical necessities for broadcasters to raise revenue from advertising.

Based on this input from the industry the FCC issued its children's television policy statement in 1974, which essentially provided practical standards which protected first amendment rights, allowed stations to earn a profit and enhanced broadcasters ability to realize their legal, public-interest responsibility to protect children from excessive advertising.

Unfortunately, in 1984 the FCC attempted to graft pure free market economics onto the social responsibility for broadcasters to serve the public interest. This has been significantly detrimental to serving our Nations children.

Now I believe that allowing market forces to operate is essential to economics. In fact the first bill I introduced in the 100th Congress was the Regulatory Fairness Act which amends the Federal Power Act to allow market forces to more closely determine consumers utility rates.

In the Regulatory Fairness Act, I was joined by several members of this subcommittee from both sides of the aisle including Mr. MOORHEAD, Mr. SWIFT, Mr. TAUKE, Mr. LELAND, Mr. OXLEY, Mrs. COLLINS, Mr. NIELSON, Mr. ECKART, Mr. RICHARDSON, Mr. BOUCHER, Mr. COOPER, as well as Chairman MARKEY.

We all supported the Regulatory Fairness Act because we want to see the free market help make an economic determination regarding setting utility rates, but today we are dealing with a social responsibility, the free market is a viable theory of economic regulation. But the free market is a bankrupt theory of social regulation.

Relying on a marketplace of children to determine the course of children's programming is about as wise as allowing a marketplace of children to determine their courses in school. In fact it could be more dangerous.

The FCC experience with using the free market to regulate children's television since 1984 has proved ineffective. If the free market were working in children's television, quality programs, like quality products, would receive increased consumer support and therefore superior ratings. These ratings would determine the commercial success of programs. The inferior programs would be driven from the market by dissatisfied consumers.

But as the Wall Street Journal reported in May:

A glut of programming and declining ratings is turning the world of animated children's shows into a battlefield.

The Journal also reports that while ratings of such programs are down a whopping 20 percent in the past year, the number of these programs for next year has increased by nearly 30 percent. The reason for this is that the free market does not work with a consumer, like the small child, who is incapable of making qualified market judgments, and therefore needs special care.

Instead of a free market, we now have a chaotic market which is being polluted by artificiality in the form of commercial tie-ins between toy manufacturers and the cartoon show producers. These tie-ins drive out quality programming and therfore make it impossible for a free children's TV market to work, even in an economic sense. As Michael Brockman, who oversees daytime programming at CBS, recently pointed out—

There's more attention being given to the best deal than to the best program.

Now I am aware that there have been cases of commercial tie-ins for years. But the problem has grown increasingly worse since the FCC abandoned the guidelines which my bill would reinstate. In this regard I would like to associate myself with the views expressed in the Advertising Age editorial entitled "A TV License To Steal, From Kids."

You can hardly tell the commercials from the programs, especially if your too little to comprehend what adversiting is and certainly to be sophisticated to know a licensing deal when you see one. . . . Actually in the trend's early stages we didn't mind so much . . . but the small fry (is now) being bombarded . . . six days a week with product themed shows. . . .

Children's TV sorely needs innovation, diversity and substance, but unhappily with would be sponsors flooding the airwaves with tailor made vehicles, there is little room for program producers who might want to sell more shows that make children think and grow up gracefully. . . .

And Advertising Age concludes by warning,

Those responsible for the building avalanche of toy licensed TV should get themselves ready for even greater consumer group—and consumer—outcries. Although it takes the American public a while to react to excesses, reaction is sure to come, and many voices will be heard.

Today I am adding my voice to that of Chairman MARKEY'S, Mr. BRYANT, Mr. LELAND, Mr. SWIFT, and Mrs. COLLINS by introducing the Children's Television Advertising Practices Act which will require the FCC to limit the duration of advertising in children's programs to the pre-1984 level of 9½ minutes per hour on weekends and 12 minutes during the week. Our bill will eliminiate host selling and tie-in practices, and assure adequate separation between content and commercial messages.

Mr. Speaker, advertising without governmental oversight endangers children. Regulation is necessary to balance broadcasters need for revenue with the public interest. Yet despite the policy to protect children, the FCC's effort to deregulate and the Justice Department's abolition of the NAB Code eliminated the mechanism for protection. Our bill will establish that mechanism. I hope my colleagues in the House join us in our effort.

Once again I thank you for this opportunity, and I yield back the balance of my time.

PRICING AGRICULTURAL WATER

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. MILLER of California. Mr. Speaker, I want to bring to the attention of my colleagues a September 19, 1987 editorial in the San Francisco Chronicle which outlined the need to redefine how agricultural water is priced.

Water supplied from Federal irrigation projects has never been priced at its market value. The refusal to intelligently price water has led us to other, more costly solutions such as large water projects.

However, the Chronicle correctly points out that if "California combined new market pricing policies for water with effective water conservation programs, enough surplus water could be found and sold to ease concern over future water supplies."

The Chronicle also congratulates the Berrenda Mesa Water District and the Environmental Defense Fund for their recent agreement to seek a buyer for 50,000 acre feet of surplus water the district is unable to use. The proceeds from this sale will be used to reimburse farmers for letting land lie fallow.

Mr. Speaker, I join with the Chronicle in "cheering" the District and EDF in their pioneering effort. This innovative, cooperative approach illustrates that there is more to water policy than pouring concrete, opening the floodgates, and signing away subsidies that cost taxpayers billions of dollars and damage the competitiveness of farmers in nonreclamation areas.

PRICING WATER

The best things in life are free, so the saying goes. And those words have a strange application in California agriculture, which has enjoyed decades of subsidized water provided by federal and state water projects.

When the federal government's huge Central Valley Project in California was undertaken years ago, a primary objective was to provide water for irrigation and for domestic consumption. The water was not treated as a true commodity, priced at what the market would pay, but sold at negotiated prices below market value. For years, there has been general support for the idea of providing low-cost water to family farmers.

But attitudes toward water pricing policies have changed in recent years for a variety of reasons. The family farm has become an endangered species. And the cost of energy to deliver cheap water often prices the water beyond the reach of farmers.

In an era of tight government budgets, there has also been a general shift of philosophy toward user fees, charging those who benefit from a governmental service a fee equal to what the service costs.

Putting a market-oriented price on agricultural water is a radical concept, not quickly accepted. It has its strong opponents, even though it would undoubtedly result in "finding" water that is surplus to farming needs and could substantially slow down, if not eliminate, the drive to build massive new water projects.

If California combined new market pricing policies for water with effective water con-

servation programs, enough surplus water could be found and sold to ease concern over future water supplies. It might also bring an end to the savage water wars between Northern and Southern California that have been fixtures of the Sacramento legislative scene.

The Legislature, which has just concluded its session, witnessed once again a divisive battle because Assemblyman Jim Costa of Fresno and Senator Ruben Ayala of Chino pushed legislation to divert an unknown, but massive, amount of water from Northern California to the Central Valley and Southern California. The bills had no protection for the bay and delta habitats.

While the fight over water in the Legislature received all the media attention, another important water event was taking place out of the limelight. A Kern County water district said it had rights to far more state water than it needed, and it proposed to offer its surplus for sale at market rates. This almost unprecedented event has substantial implications.

The Berrenda Mesa Water District of Kern County signed an agreement with the Berkeley office of the Environmental Defense Fund to cooperate in seeking a buyer for some 50,000 acre feet of water to which the water district is entitled each year from the State Water Project. The water is enough for the yearly domestic requirements of more than a quarter of a million people. Berrenda Mesa has surplus water, a spokesman said, because growers of row crops, such as cotton, garlic, onions and potatoes, can not pay the current price of water, $100 an acre foot, and return a profit. Proceeds from the sale of the water will be used to reimburse farmers for promising to let their lands lie fallow permanently.

Putting water up for sale to the highest bidder is virtually unknown in California, although it is going on elsewhere in the West. In California, the idea is generating major resistance. The Kern County Water Agency is reportedly opposed to the sale of water entitlement, taking the view that water that is in Kern County must not be shipped elsewhere. Others resist the idea because the concept could doom the era of comparatively cheap water subsidized by the taxpayers.

We cheer on the pioneering Berrenda Mesa Water District and the Environmental Defense Fund, and we wish them well in the litigation that inevitably occurs when water and money are mixed.

IN HONOR OF THE CONSTITUTION

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. ECKART. Mr. Speaker, I would like to take a moment to pay tribute to the U.S. Constitution. On this occasion of the celebration of our Constitution's 200th birthday it is important to examine what, in fact, was created 200 years ago in Philadelphia. In one sense it is a collection of roughly 2,000 words that created a system of governmental institutions for the newly liberated United States of America. However, in another sense, it is, as Woodrow Wilson stated, "a vehicle of life, and its spirit is always the spirit of the age."

The dual nature of the Constitution has given it both the durability and the resilience necessary to survive a Civil War, World Wars and 200 years of social change and growth. The document, although amended 26 times, has remained remarkably similar in form to its original conception; yet it has expanded in ways that the Framers could never have imagined in 1787. The words have grown to incorporate a myriad of meanings and ideas. Woodrow Wilson perhaps best captured this characteristic of the Constitution when he said, "the Constitution was not meant to fit us like a straitjacket. In its elasticity lies its chief greatness."

As we look back this week on the birth of our Government we must remember the true genius that was summoned during that historic summer in Philadelphia. We must remember the remarkable nature of the document and the destiny that is written into those 2,000 words.

WELFARE REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 16, 1987, into the CONGRESSIONAL RECORD:

WELFARE REFORM

Last year the President and the Congress agreed that a simple and effective way to help the working poor was to reduce their taxes. This year another important antipoverty step is underway. Welfare reform has risen to the top of the national agenda. Studies have been conducted, states have experimented, and now the President and Congress are considering significant changes in federal welfare programs.

The two largest federal cash welfare programs are Aid to Families with Dependent Children (AFDC) and the earned income tax credit. Federal funds pay for about 70% of all welfare benefits. Most observers agree that welfare programs are not working. Poverty in America, by some measures, has actually worsened, and concerns about program inefficiencies continue. But disillusionment with welfare did not, until recently, translate into serious reform efforts. Few voices called for reform; the prevailing political climate discouraged new social policy initiatives. Suddenly all that has changed. There is a loose consensus among liberals, moderates, and conservatives on the major problems with our welfare system, and on the general direction reforms must take. This consensus embodies both liberals' concern for the poor and conservatives' concern about welfare dependency.

One area of broad agreement is to place more emphasis on work and responsibility. Welfare recipients should be required to work after a period of training and education, if jobs can be found for them. A requirement that recipients obtain work was thought to be impractical for women with young children, but two factors have increased the acceptability of work in welfare. First, much evidence suggests the debilitating effect of welfare. Almost one-third of all persons who enroll in AFDC are on public assistance for eight years or longer; most recipients do not develop the basic skills they need to find employment. Second, with most mothers now working, it is only fair to require work from those who receive welfare benefits, including women with children. Today the view is that jobs will speed recipients' reentry into the mainstream of society. Under this approach, welfare programs should offer skills training, remedial education, job placement programs, day care and transportation services.

Another common theme in welfare reform plans is the need to strengthen the family. Rising divorce rates and out-of-wedlock births contribute substantially to poverty and welfare dependency. Three out of four new AFDC cases result from either marital disruption or an out-of-wedlock birth; over 40 percent of unwed mothers who have a child under three when they first receive AFDC remain dependent on it for ten or more years. Current welfare programs both ignore and aggravate the plight of the poor family. For instance, 26 states, including Indiana, currently limit AFDC and Medicaid benefits to single-parent households entirely, and the remaining states restrict eligibility so that only a small fraction of all poor, intact families receive AFDC benefits. Some evidence suggests that denying support to two-parent families encourages one parent to leave and may even encourage divorce. Pro-family welfare reforms include strengthening enforcement of child support laws, withholding child support payments directly from wages, providing education and counseling to reduce out-of-wedlock births, and extending welfare benefits to two-parent families. Welfare programs are meant to serve children primarily. It helps to think principally about how proposed reforms impact on children.

A third element of consensus is to allow the states greater discretion and flexibility in the way they handle federal welfare funds. In the past, state governments have been criticized because many showed insufficient commitment to providing adequate, non-discriminatory benefits. But criticism has largely disappeared as the states have proven themselves willing and able to administer welfare. The states have become the innovators in welfare policy, taking the lead on such issues as childcare, education and training, and work programs. Since economic and social conditions vary widely from state to state, it makes sense to give the states greater flexibility to tailor welfare programs suited to the particular needs of their citizens.

Despite the widespread agreement on these major issues, several areas of disagreement must be resolved before a welfare reform bill becomes law. Cost is the principal obstacle to fundamental reform. Although a welfare program based on work and training may reduce costs eventually, it may raise them initially. The new proposals would raise costs by $1 billion to $10 billion during the next 5 years, and their high cost has allowed action on welfare reform bills in Congress.

Advocates of reform also disagree about whether benefits should be increased and whether the scope of current programs should be expanded. Unanswered questions include: Should a national minimum benefit be established? Should day care be provided and for how long? Should public sector jobs be created for welfare recipients? Should sanctions be imposed on recipients who choose not to participate in new work programs?

Finally, many still have doubts about transforming the existing welfare system, with its emphasis on income support, to one

that emphasizes work. Writing a check to welfare recipients is easy. It is much harder to assess the employability of welfare recipients, train them, and place them in permanent jobs. Many welfare recipients have serious deficiencies in basic skills. Even if those deficiencies are overcome, private-sector jobs may not be available.

As welfare reform unfolds, we must be careful not to promise too much. Even the word "reform" might be too optimistic. Past experience suggests that progress will be marginal and slow, and no one should expect a dramatic reduction in poverty. The reforms would not radically alter welfare, but they would make a new attempt to move people off welfare and into jobs. That would be a welcome change in welfare policy.

NOTE: Much of the information used in this report was drawn from an article by Robert Reischauer entitled "Welfare Reform: Is Consensus Enough?" which appeared in the September 1987, edition of the Brookings Review.

WILLIAM C. DOHERTY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. MICHEL. Mr. Speaker, many of us who have spent quite a bit of time in Congress or in Washington remember William C. Doherty, former president of the National Association of Letter Carriers and at one time U.S. Ambassador to Jamaica. On August 9, Bill Doherty died and I know I speak for many of those who remember him with fondness that he will be missed.

At this time I wish to insert in the RECORD the obituary of William C. Doherty that appeared in the Washington Post, August 11, 1987.

[From the Washington Post, Aug. 11, 1987]

WILLIAM C. DOHERTY

Mr. Doherty, 85, former president of the National Association of Letter Carriers who later served as U.S. ambassador to Jamaica, died of congestive heart failure Aug. 9 at the Collingswood Nursing Center in Rockville.

Mr. Doherty was president of the letter carriers association from 1941 until 1962, and was said to have been an effective lobbyist on Capitol Hill for pay raises.

During that time he also served as a vice president and executive committee member of the AFL-CIO.

He was ambassador to Jamaica from 1962 to 1964, then led a drive to raise money to build a retirement community for letter carriers, NALCREST, near Lake Wales, Fla. He had lived there since the mid-1960s.

A former resident of Bethesda, Mr. Doherty was born in Glendale, Ohio. He began work as a messenger for the Postal Telegraph Co., in Cincinnati when he was 14. He participated in an unsuccessful strike by the Commercial Telegraphers Union of America in 1919, then served three years in the Army.

Mr. Doherty became a letter carrier in Cincinnati in 1923, and at the same time became active in union affairs. He was president of the Cincinnati chapter of the letter carriers association—and later the Ohio chapter—before coming to Washington in 1941, after he became president of the national association in a bitterly contested election.

During Mr. Doherty's term as president, membership in the union grew from 67,000 to 155,000, and a health insurance plan that remains in effect today was implemented. In 1960 he wrote a book, "Mailman USA," a history of the union's struggles.

His first wife, Gertrude Helen Dacey Doherty, died in 1967, and his second wife, Oza Howell Barlow Doherty, died in 1983.

Survivors include five sons by his first marriage, William Charles Doherty Jr. of McLean, John Timothy Doherty of Winchester, Va., James Francis Doherty of Silver Spring, and Joseph Patrick Doherty and Thomas Aloysius Doherty, both of Rockville; four daughters by his first marriage, Mary Seton Doherty Puglisi of Gaithersburg, Catherine Ellen Doherty Stewart of McLean, Gertrude Patricia Doherty Boswell of Silver Spring, and Margaret Frances Doherty Rieger of Rockville; 53 grandchildren, and 30 great-grandchildren.

THE TEXTILE AND APPAREL ACT OF 1987

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. CRANE. Mr. Speaker, I rise to address the issue of the Textile and Apparel Act of 1987. Despite the likely consequences of the bill, and despite the administration's efforts to substantially increase protection to their industries in 1986, the domestic textile and apparel industries have come to Congress seeking additional protection. The American textile industry actually fared better than the rest of the economy in 1986, and prospects are good for another strong showing in 1987. Clearly this is not an industry in need of additional protection.

Furthermore, passage of the bill would harm U.S. consumers, provoke retaliation, violate our international obligations, and undermine U.S. efforts to secure a more open trading system for all U.S. exports.

The bill would violate the safeguards provision of the GATT by indiscriminately granting permanent protection to a huge array of products. It would violate the Multifiber Arrangement created by U.S. industries to protect them from imports, by imposing unilateral, global quotas on all textile products. The quotas would, in turn, be set at levels that would force the United States to abrogate our bilateral agreements.

It is my opinion that the short-term benefit of increasing protection to the already overly protected domestic textile and apparel industries is by far outweighed by the potential damage to our entire economy. Therefore, I urge my colleagues to carefully consider Ambassador Gotlieb's letter, and to join me in the attempt to forestall the passage of the Textile and Apparel Act of 1987.

CANADIAN EMBASSY,
Washington, DC, July 31, 1987.

Hon. PHILIP M. CRANE,
Longworth House Office Building,
Washington, DC.

DEAR CONGRESSMAN CRANE: I am writing in connection with the Textile and Apparel Act of 1987 that the Committee on Ways and Means is to consider shortly. The Canadian Government is of the view that this legislation would very seriously impair the world trading system. In particular, my Government is concerned that the passage of such legislation would threaten the future of the Multifibre Arrangement, thereby placing further pressure on an international trading environment already jeopardized by mounting protectionism.

Canada also has experienced disruptive levels of clothing imports over the past few years. Thus, we appreciate the circumstances giving rise to this proposal and are aware of the difficulties involved in formulating policies that will address such problems without unduly disrupting Canadian and U.S. bilateral and multilateral objectives. The Canadian Government itself has been under heavy pressure to intensify the border protection currently afforded Canadian textile and clothing industries by imposing a global import quota. On a number of occasions, Canadian Ministers have received representations from their U.S. counterparts with respect to the unfortunate consequences any such Canadian action would have on bilateral trade and on our mutual efforts to resist protectionism and to stabilize and enhance the multilateral trading environment. The Canadian Government has determined that solutions to these problems must be found within the context of an international agreement. However, passage of the textile legislation currently before Congress would make it extremely difficult for the Canadian Government to resist taking action to intensify protection in this area.

I also wish to emphasize my Government's concern about the negative impact on Canada/U.S. trade that would result from restrictions on Canadian exports under this legislation. The United States has traditionally enjoyed a surplus in trade in textiles and clothing with Canada. This surplus has been maintained in spite of a major decline in the relative value of the Canadian dollar, which has made Canadian exports more attractive in the United States. In 1986, the U.S. surplus amounted to $504 million, on a two-way textile and clothing trade of approximately $1.6 billion. In addition, the proposed legislation would affect Canadian exports of footwear which were valued at $50 million in 1986.

The compensation provided for in the bill is inadequate at best, and could not begin to meet the claims of affected countries, including Canada. Enactment of this legislation, therefore, would force such countries to consider mirror legislation or retaliatory actions that would affect United States exports of textiles, clothing and footwear, and perhaps other products.

More important perhaps than simple bilateral retaliation would be the irreparable damage that the proposed legislation would wreak on the international trading system. It could destroy the MFA and irrevocably prejudice the Uruguay Round of multilateral trade negotiations. Developing countries, heavily dependent on textiles and apparel exports, could not agree to negotiate an opening of their markets to our exports of manufactures, nor could they be expected to cooperate in meeting our objectives in such new areas as trade in services and the protection of intellectual property rights.

Yours sincerely,

ALLAN GOTLIEB,
Ambassador.

RELIGIOUS FREEDOM

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. FROST. Mr. Speaker, tomorrow, as we honor the document and the amendments which have given us religious freedom, let us sound the horn for those who cannot practice their religion. In particular, as the High Holy Days—Rosh Hashanah—approach, let us awaken to the plight of Jews in the Soviet Union.

Denied the right the practice their religion, they will not be able to participate in the 10 holiest days of the year when Jews around the world celebrate the creation and prepare for the new year through prayer and atonement. Although supposedly living in an open society, noted for its glasnost, few will have access to a synagogue, the place of worship which is so important in Jewish life especially during these 10 days. They will not hear the sound of the ram's horn calling them to self-judgment, self-improvement and atonement. Nor will they be able to gather together on Yom ha-Zikaron—the Day of Remembrance—when the millions who were persecuted and died for their religion are honored.

Let us not be taken in by the recent granting of permission for some Soviet Jews to emigrate. Although the number has increased this year, it is only a fraction of those who have requested to leave—most because they wish the right to practice their religion.

Much has been made of the Soviet authorities willingness to permit the development of Jewish religious and national life, but Soviet Party leaders have stated they would continue to lead the struggle against religion until it finally disappeared.

As we celebrate the many freedom granted us under the Constitution and the Bill of Rights, let us remember the Soviet Jews who still cannot worship. For in reality, we cannot truly celebrate as long as they are not allowed to join with us in proclaiming the message of the High Holy Days—the reaching out to men and women of every faith and creed in the spirit of forgiveness, good will, and peace.

PEACEFUL SOLUTION TO THE PROBLEMS IN PUNJAB

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. BURTON of Indiana. Mr. Speaker, on September 10, 1987, four of the five chief priests of the Sikh religion declared support for the Sikhs fighting for a separate Sikh nation in India's Punjab state. The announcement from the Golden Temple, seat of the Sikh religion, called on Sikhs worldwide to give "tan, man, dhan," or body, soul and wealth, to the Sikh's "decisive war for liberation." They said the Indian Government was oppressing Sikhs all over India.

This statement was the strongest yet by Sikh religious authorities. I urge the Indian Government to use restraint in resolving this dispute. Most Sikhs want a peaceful solution in the Punjab and the Indian Government should respect their human rights and freedoms. There is evidence that the Indian authorities are currently suspending basic freedoms in the Punjab and that increasingly harsh police tactics are only aggravating the situation. Sikhs around the world will never submit to oppression.

The U.S. State Department refuses to recognize the systematic and routine suppression of human rights in the Punjab. I would like to submit for the RECORD recent articles from the Christian Science Monitor, the Economist, the Tribune, and a statement by the president of International Sikh Organization, Dr. Gurmit Singh Aulakh. These articles shed light on the problems Sikhs are encountering in India. I hope the international community, especially the UN Human Rights Commission, will put pressure on India to bring a fair and peaceful solution to the problems in the Punjab.

[From the Christian Science Monitor, Sept. 8, 1987]

TOUGH INDIAN SECURITY LAWS DRAW FIRE FROM CIVIL-RIGHTS GROUPS

(By Brahma Chellaney)

NEW DELHI.—Tough new laws adopted by the Indian parliament to combat escalating Sikh terrorism are sparking acrimonious debate between the government and civil liberties groups.

The legislation strengthens a preventive detention law and gives authorities wide powers to combat activities that they judge anti-national. It was adopted late last month by the upper and lower houses of the Indian Parliament—where Prime Minister Rajiv Gandhi's ruling Congress (I) party holds a large majority of the seats.

Civil liberties groups contend such laws abridge civil liberties and would be misused against political opponents, thus threatening the world's largest democratic system. They claim that the series of extraordinary laws enacted since Mr. Gandhi succeeded his assassinated mother Indira Gandhi in late 1984, are Draconian, and provide no safeguards against their misuse by government officials or security forces.

The government cites the "unusual and serious situation" prevailing in Sikh dominated Punjab State to justify the controversial powers. Sikh extremists from this prosperous agricultural state have been waging a violent campaign for an independent homeland.

Over the last four years, Sikh terrorists have been responsible for killing hundreds of Hindu civilians and politicians, as well as Sikhs seen as "collaborating" with the New Delhi government. Hundreds of Sikhs have been detained for varying periods under the different laws to combat terrorism. And, in recent months, security forces claim they have daily killed two or three alleged Sikh terrorists in what are termed "encounters."

About 1,400 people have been killed in terrorist-related violence in India since last year. The situation has rapidly deteriorated in recent weeks, with police reporting at least half-a-dozen slayings almost daily.

Speaking in Parliament two weeks ago, Deputy Interior Minister P. Chidambaram argued that the administration needs extraordinary powers, not weapons, to fight terrorism.

But, contends noted jurist V.M. Tarkunde, "These sweeping laws, though intended to combat terrorism, are proving counterproductive."

Mr. Tarkunde is president of Citizens for Democracy, a civil rights group. "Sikhs think the laws are aimed at them, and since anyone now can be arrested arbitrarily and denied bail, Sikhs feel like second-class citizens," he says. "These laws are indeed encouraging terrorism."

Last month's Terrorist and Disruptive Activities' Prevention Bill is regarded as the toughest antiterrorist legislation passed since India's independence from Britain in 1947. Like most of the other recent controversial laws, it is applicable nationwide. Among other things, it seeks to provide for minimum imprisonment of from five years up to life for unauthorized possession of certain arms. Critics say it shifts the onus of proof from the prosecution to the accused. Human rights activists are concerned that the act may allow the use of police torture to extort confessions that can be used as evidence.

The act provides the death penalty for terrorist killings and long prison terms for a wide range of "disruptive activities," covering songs, paintings, books, and audio cassettes deemed to undermine India's unity.

The other legislation approved this week amends the 1980 National Security Act to permit authorities not to disclose to a detainee for up to 15 days the reasons for his arrest. This was necessary to relieve pressure on local authorities because of "the large number of detention orders" being issued, Mr. Chidambaram said.

Hundreds of people have been jailed across India under the Security Act, which provides for imprisonment without trial for up to two years in Punjab and one year elsewhere in India. They include suspected Sikh extremists, petty criminals, and political dissidents. The act has been strongly criticized by London-based Amnesty International.

"So idolized has the State become that we no longer think creatively of political or judicial solutions to a crisis like the one confronted in Punjab; instead the itch is to arm the State with more and more power," wrote a magazine the columnist recently, adding that the country is experiencing "a subtle variety of incremental authoritarianism."

Late last year, Parliament passed controversial legislation empowering the government to open private mail "in the interest of public safety." The former President Zail Singh, who retired in July, refused to sign it into law. But new President Ramaswamy Venkataraman is expected to give his assent shortly.

Several analysts, however, say that India has an independent judiciary and a fearless press, and that there is no immediate danger to the Indian democracy.

[From the Economist, Aug. 29, 1987]

SIKHLY HOPES

Is Punjab sliding towards chaos? Since the central government dismissed the state government and began running Punjab in May, Sikh terrorists have killed more than 500 people. That is three times as many as they killed in the first three months of this year. Now Mr. Darshan Singh Ragi, the top Sikh priest with authority over temporal matters, has left the Golden Temple and retired to his village home. This leaves the Sikhs' holiest shrine in the hands of extremists who will accept nothing less than a separate state of "Khalistan". The shadowy "panthic committee" which runs the separatist move-

ment has announced that it will call a meeting of all Sikhs to appoint a new head priest and depose Mr. Singh. Their move may not work, but it if does Punjab will come a step closer to civil war.

Mr. Rajiv Gandhi, the prime minister, imposed direct rule on Punjab because he wanted to give the police a free hand, unhindered by local politicians, to mop up terrorists. The results have not been encouraging. The Delhi-appointed police chief of Punjab, Mr. Julius Ribeiro, had claimed in the spring that there were only about 100 hard-core terrorists left in the state, and that one big push would break them. The imposition of direct rule gave Mr. Ribeiro his chance. In the very first month of it, the police killed or captured 404 suspected terrorists. Since then they have been killing two to three alleged terrorists every day, and catching two or three times as many. Despite this the number of terrorist killings and attacks has risen dramatically: up at least fourfold since this time last year.

One reason is that some police tactics have aroused sympathy for the terrorist groups—and stimulated recruits. For the past four years the terrorists have been making a special point of attacking judges, witnesses, informers and the families of policemen and politicians (on August 16th six close relatives of India's Sikh home minister, Mr. Burta Singh, were murdered). As a result, almost no one is willing to give evidence against the terrorists. The police have therefore taken to murdering the worst of the captured terrorists in what are officially described as "encounters". The police claim that they do no such thing. But these denials are hard to take seriously in the cases of encounters, increasingly frequent, in which no policeman is killed or injured despite prolonged exchanges of gunfire, and no terrorist is injured, only killed.

Faked encounters have come as a propaganda godsend to the separatists. Yet the real difficulty is not that the government's policing has taken on certain attributes of a "dirty war". It is that the government has not joined to its toughness any policy of giving support to the moderate Sikhs who are trying to resist the drift to extremism.

This failure began last year when Mr. Gandhi reneged on certain important promises—notably to give Punjab sole control of the city of Chandigarh—in the accord he signed in 1985 with a moderate leader of the Sikhs. The government has made things worse by its failure this year to back Mr. Darshan Singh. Ever since December 1986, when he became acting high priest of the Akal Takht (the "timeless throne"), Mr. Singh has used his considerable authority to condemn the killing of innocents, to bring all Sikh factions including the terrorists on to a common platform for talks with the central government, and to press the government to open talks with the militants.

In February Mr. Singh succeeded in getting almost all the Sikh political parties to agree on a programme to satisfy Sikh grievances with the framework of the Indian constitution. In the following weeks several major terrorist leaders gave their support to the high priest. This encouraged the central government, which had been watching Mr. Singh closely, to open indirect talks with him and with some of the militant leaders in April.

By the end of April a four-point peace plan had been drawn up which had the support of all moderate Sikh groups and all but two of the terrorist groups. But in a sudden reversal, Mr. Gandhi's home minister went to parliament to repudiate the government emissary who had agreed to Mr. Singh's peace plan. Two weeks later Mr. Gandhi imposed direct rule.

Mr. Singh made a second attempt to get talks started on August 4th, when he held a convention at the Golden Temple of all Sikh groups including the terrorist ones. Opinion had seriously hardened against the idea of a deal with the central government. The high priest was unable to get even the more moderate groups to agree that any autonomy for Punjab should be within the existing Indian federation. A few days later he invited the militants to take over responsibility for looking after the Sikhs and left the Golden Temple.

It was a tactical dare, intended to reassert his authority. But the government in Delhi needs to reflect on it. If Mr. Singh goes for good, there soon may be nobody left in Punjab for Mr. Gandhi to do business with. That vacuum could be even more dangerous than it sounds: a Punjabi Hindu organisation calling itself the "national defence force" has already been set up, with the aim of recruiting a 10,000-strong sacrificial squad" to "fight terrorists and protect the lives of innocent people in the state".

[From the Tribune, Aug. 24, 1987]

BHAJAN LAL FOR VP'S ARREST

HISAR.—The Union Environment Minister, Mr. Bhajan Lal, today demanded immediate arrest of a former Defense Minister, Mr. V.P. Singh, and registration of a case of sedition against him.

Addressing a public meeting here in connection with the forthcoming municipal elections, he said Mr. V.P. Singh was trying to create "disaffection in Army ranks" and lowering the morale of the force by describing the recently purchased arms as substandard.

Mr. Bhajan Lal criticized Mr. V.P. Singh for his anti-corruption campaign and described it as a "political stunt." The former Defense Minister had collected "politically frustrated" persons around him and was trying to malign Prime Minister.

Referring to the Punjab problem, Mr. Bhajan Lal said terrorists should be shot dead. They did not deserve to be arrested and tried by courts of law. Only a tough posture against such elements could help resolve the Punjab problem, he added.

He appealed to the people to vote for the nominees of the Congress (I) in the August 30 poll.

STATEMENT BY DR. GURMIT SINGH AULAKH

Today the International Sikh Organization pledges the support of the Sikh community outside of India in response to "tan, man, dhan," or body, soul and wealth to the Sikh Freedom Fighters opposing the Government of India as called for by the Head Sikh Priests from the highest religious seat of the Sikh Nation, the Golden Temple. This pledge of support will increase the aid sent to Sikh freedom fighters from the International Sikh Community.

A little known civil war has been taking place in the Punjab State of India for the last four years. Yet report of this war has been slight due to the news blackout imposed by Rajiv Gandhi. The call by the Head Priest of the Sikh religion is significant because it shows a unifying of the Sikh people against the New Delhi Government. Prior to this call, Sikhs have been divided between those who wanted more Sikh control within the Punjab State and those who wished to secede from India entirely. The action by the Priests indicates that even Sikh moderates have leaned toward full secession from India.

THE 350TH ANNIVERSARY OF THE BIRTH OF FATHER JACQUES MARQUETTE

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. ROTH. Mr. Speaker, 1987 is a year of historical significance, most notably the 200th anniversary of our Constitution. This year, 1987, also commemorates another event, the 350th anniversary of the birth of Father Jacques Marquette. As a Jesuit priest, explorer, missionary, teacher, and discoverer, Father Marquette's contribution to our history and Nation are significant.

As a graduate of Marquette University, I am duly aware of the importance of his search for truth and discovery of knowledge. Also significant are his contributions to the historical and cultural development of the Northern Midwest and the Mississippi Valley.

Born in Laon, France, in 1637, Marquette quickly advanced through his studies to become a teacher and entered the Jesuit order at the age of 17. Though teaching was to remain his occupation for the next several years, Marquette never denied his cherished hope that his ultimate calling would be that of an overseas missionary.

At 29 years of age, Marquette was designated by his superiors for service in Canada, then New France. On September 20 of 1666, he landed in Quebec.

The next stage of his life was dedicated to working among the Indian tribes located around the Great Lakes. Quickly he mastered their languages, introducing them to Christianity, medicine, and science. Marquette's reputation and popularity quickly spread. Moving to the mission vacated by Father Allouez's departure to Green Bay, Marquette relocated to La Pointe. Here, he was visited by many tribesmen from far away, among others, the Illinois, who had crossed a great river on their way. Marquette, like no other, was able to reach these tribesmen, both teaching and learning from them.

Continuing to contact additional Indian tribes, in 1671 Father Marquette founded the Mission of St. Ignace on the straits of the Mackinac. It was here that Marquette teamed up with a Canadian explorer, Louis Jolliet—the team that, accompanied by five men in two bark canoes, would discover and explore the Mississippi River.

In 1673, this first expedition to the Mississippi River began by way or Green Bay, through the Fox River Valley and into the Wisconsin River, down the Mississippi to the Arkansas. Geographically, Marquette's discovery and exploration of this area confirmed eventual navigational passage to the Gulf of Mexico. Culturally, this discovery enabled the growth of the Mississippi Valley, also named the Valley of Democracy. This designation is appropriate if one considers the effect its settle-

ment had on 17th and 18th century Europe. As a discovery into the rich interior of North America, opportunities were provided the common man to raise his status from dependence and poverty to one of independence and property. If we examine the many and varied communities that have developed along the Mississippi all the way from Wisconsin down South, we realize the vast differences and cultural contributions these areas have made to our Nation.

The journey down the Mississippi and back to De Pere, WI, had taken a physical toll upon Marquette, and he died only 2 years later.

Of all the Jesuit missionaries who have come to explore the Western World, Marquette is perhaps the most renowned, partly because of his early death, partly because of his drive for truth and knowledge, partly because he and Jolliet were the first to follow the course of the Mississippi River. Rightly so, many Americans commonly hold the missionary-explorer in esteem.

How appropriate that, in 1881, a university was founded that bears his name. Recognized throughout the Nation as a leading academic institution, Marquette University charters its students on an exploration in discovery of truth, knowledge, and justice. Marquette graduates not only have a significant and important influence in Wisconsin, but throughout the Nation and the world.

How appropriate that, in 1896, the people of Wisconsin chose Father Marquette as one of their citizens to be commemorated in the Statuary Hall of our Nation's Capitol.

How appropriate that, in 1987, we join in commemoration of the birth of one of the greater explorers—the discoverer who enabled the growth and cultural contributions of the Valley of Democracy to flourish in America's heritage.

ROUTE 33 HIGHWAY EXTENSION

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. RITTER. Mr. Speaker, today I have introduced legislation to carry out a highway project in Northampton County, PA, of approximately 3 miles to extend Pennsylvania Route 33 on the Federal-aid primary system. The construction will proceed from Route 33's terminus at U.S. Route 22, between Bethlehem and Easton, to Interstate Route I-78. This bill, if enacted, will provide a four-lane limited access highway connecting Interstate Routes I-78 and I-80 and will demonstrate methods by which connection of two interstate routes will:

Foster significant economic development and job creation by providing high speed, limited access motor vehicle transportation to an area in dynamic economic transition;

Appreciably decrease the use of local roads by through traffic particularly by heavy trucks and thereby promote highway safety;

Reduce intraregional and interregional travel time and reduce transportation costs; and

Perhaps most importantly, Mr. Speaker, Route 33 and other interconnects will increase the efficiency and optimize the value of interstate routes—I-80 and I-78—and other Federal investments—in this case, the Lehigh Valley Industrial Parks, Inc., whose economic value amounts to some $109 million annually with over 7,000 jobs created as recipients of $2 million in EDA grants.

Mr. Speaker, if the Lehigh Valley Industrial Parks and other businesses are to remain competitive, a recent market analysis shows that the completion of the Route 33 extension and I-78 will provide the infrastructure to attract new and expanding businesses.

The economic impact study without the Route 33 extension shows the economic impact loss as follows: jobs—16,834; income—$333 million annually; and taxes—$16.7 million annually. An optimistic case was also projected for the completion of the Route 33 extension projecting the attraction of more businesses offering higher payrolls including high technology firms and similar companies that occupy New Jersey's growth corridors. For this scenario, demand for industrial land is projected to reach: 39 acres in 1995; 381 acres in 2000; and 1,055 acres in 2020. Employment is projected to total over 500 jobs in 1995, 5,000 in 2000 and 15,0000 in 2010.

Mr. Speaker, I know that the next highway reauthorization will not be considered until, perhaps 1991, at which time additional demonstration projects will be authorized and funded. I would expect the Route 33 extension would meet with the same favorable response from the committee and the Congress as was the case with our Basin Street Bridge project, included in the highway reauthorization enacted earlier this year.

Further, the people of the Lehigh Valley literally waited for years at the crossing and for the Congress to include Basin Street as a demonstration project. The time to consider the next reauthorization will be here before we know it and I want the Congress and the citizens of the Lehigh Valley to know that I will go all out once again to obtain this valuable demonstration project that will be of benefit to the entire Nation.

THE AGRICULTURAL CREDIT ACT OF 1987

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. DINGELL. Mr. Speaker, there is broad and growing concern about the provision in title III of the Agricultural Credit Act. This legislation proposes to create a secondary market for farm real estate loans which would be exempt from the disclosure and reporting requirement of State and Federal securities laws. Some believe that it may even be exempt from important criminal fraud statutes.

The measures is scheduled for consideration by the House next week, at which time I plan to offer an amendment to strike title III. I would like to share with my fellow Members several "Dear Colleague" letters, a letter from Treasury Secretary James Baker, and an August 27 editorial which appeared in the Washington Post, which detail the reasons for my opposition to title III.

I ask unanimous consent to insert these materials in the RECORD to assist my colleagues as they prepare for consideration of H.R. 3030 and, I hope, join me in an amendment to delete title III of the bill:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 14, 1987.

DEAR COLLEAGUE: The Agricultural Credit Act of 1987, H.R. 3030, is scheduled for floor consideration later this week. We support many of the bill's provisions, but must call your attention to our serious concerns about Title III, which would create a secondary market for farm real estate loans.

The provision would enable banks, insurance companies and others to "package" and resell to investors farm real state loans.

Contrary to some assertions, Title III would not assist farmers, nor would it shore up the Farm Credit System. Indeed, as now structured, Title III would likely result in further damage to the FCS—just as the rest of H.R. 3030 is seeking to restore its health. In allowing the "packaging" of farm real estate loans for resale to investors, it is a virtual certainty that only the best loans would be bought, thus leaving the FCS holding the least credit-worthy loans.

There is taxpayer risk, too. Included in the Title III provisions is a Federal guarantee; to the extent there is any failure, there would be a $1.5 billion liability for the Government. And, if any of those whose loans are *not* resold into the "pool" end up in default, there is additional—and significant—risk to the Treasury in further bailout of the Farm Credit System.

Claims of resemblance to "Ginnie Mae," "Freddie Mac," and "Fannie Mae" to the contrary notwithstanding, the provisions of Title III would provide investors with none of the protections of those programs. With no requirements for even minimal capitalization, buyers of the "packaged" loans would have no idea whatsoever as to their value or worthiness. Worse, Title III waives reporting and disclosure requirements of all State and Federal securities laws, and Federal and State agencies have expressed concern that Title III may even waive criminal fraud statutes!

All of us want to alleviate the problems of the Nation's farm economy, and all of us want to help farmers. The problem with Title III is that it is, unfortunately, wide of the mark. The people who would benefit from Title III are NOT farmers; they are the individuals and institutions doing the loan packaging and sale—and making handsome fees on the deal.

There are better ways to restore health to our farm economy and to the Farm Credit System. Because of a lack of time for careful consideration of these highly complex issues, we are offering an amendment, together with other Members, to strike Title III when the bill comes up this week. We hope you will join us in striking "Farmer Mac" when the measure comes up.

Sincerely,

TRENT LOTT,
Minority Whip.
JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 11, 1987.

DEAR COLLEAGUE: As members of the Committee on Banking, Finance and Urban Af-

fairs, we want to express our concern about H.R. 3030, the Agricultural Credit Act of 1987 scheduled for floor action next week.

The bill will provide relief for the Farm Credit System's banks and local lending associations, which have reported losses of about $4.8 billion over the past two years. The measure also provides Federal guarantees for the more than $4 billion in system stock held by farmer-borrowers. American farmers have suffered severe losses, and they need and deserve assistance from Congress.

However, Title III of the bill establishes a secondary market for securitized real estate loans. Under the bill, the market would be exempt from Federal and state securities laws—laws which currently provide a significant amount of protection against fraud and abuse in financial transactions. Moreover, the secondary market might tend to skim off the Farm Credit System's best loans and to compete for investment dollars with banks outside the System. If that happened, the System would be left holding substandard loans, requiring more outreach and servicing than the loans sold in the secondary market.

We believe that this plan could saddle taxpayers with the unnecessary responsibility of making good on any losses yet will not help those farmers already burdened with debt. It is clear that Congress and the Committees with jurisdiction—including the Banking Committee and the Committee on Energy and Commerce—need more time to consider the implications of this Title of the bill.

Please join us and the leadership of the Energy and Commerce Committee in supporting an amendment to delete Title III from the bill.

Sincerely,

FERNAND ST GERMAIN,
Chairman.
BRUCE MORRISON,
BARNEY FRANK,
CHARLES E. SCHUMER,
BRUCE VENTO,
MARCY KAPTUR.

LOOK OUT FOR "FARMER MAC!"

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 10, 1987.

DEAR COLLEAGUE: Next week the House will be asked to consider H.R. 3030, the Agricultural Credit Act of 1987. It contains a badly flawed provision.

That bill creates a bailout package of financial assistance to shore up the Farm Credit System's 37 banks and 387 local lending associations, which together have reported losses of $4.8 billion over the past two years and are projected to lose up to $3 billion more over the next three years. It also would provide federal guarantees for more than $4 billion in system stock held by farmer-borrowers. We strongly support this assistance package. Our farmers have suffered grievous losses.

However, Title III of H.R. 3030 sets up a secondary trading market for securitized real estate loans. As structured in the bill, that market would be exempt from federal and state securities laws, exposing investors to great potential chicanery. As a recent *Washington Post* editorial clearly points out, it would also expose the Farm Credit System, the Treasury and the American taxpayer to unlimited costs.

In order to compete for investment dollars with banks outside the system, "Farmer Mac" would have to skim off the Farm Credit System's best quality loans. The Farm Credit System would be left holding large numbers of substandard loans, demanding continuous, expansive servicing. The secondary market will do little to help farmers already burdened with System debt. We are supposed to be helping the Farm Credit System, not putting a gun to its head. The banks see lots of fee and trading income in all this. All the American public will see is more red ink. We oppose this result and you should too.

Please join us in supporting an amendment to delete Title III from the bill. If you need more information, or would like to help, please contact Consuela Washington (Dingell—52927), Stuart Kaswell (Lent, Rinaldo—63400), or Howard Homonoff (Markey—62424).

Sincerely,

John D. Dingell, Chairman, Committee on Energy and Commerce; Edward J. Markey, Chairman, Subcommittee on Telecommunications and Finance, Committee on Energy and Commerce; Norman F. Lent, Ranking Minority Member, Committee on Energy and Commerce; Matthew J. Rinaldo, Ranking Minority Member, Subcommittee on Telecommunications and Finance, Committee on Energy and Commerce.

[From the Washington Post, Aug. 27, 1987]

FARMER MAC

The farm credit bill that awaits the House on its return contains a provision that was only put there as a sop to the influential commercial banks, insurance companies and others that make farm loans. It transfers much of the risk in such lending from these private institutions—every one a champion of free enterprise in other contexts—to the taxpayer. The government is already too deeply involved in the farm economy as guarantor of price and income. Its additional role as guarantor of credit should be minimized rather than enlarged. The provision should be stricken from the bill.

The bill is meant to bail out the Farm Credit System, a little-known but long-established network of several hundred lending institutions that now makes about a third of U.S. farm loans. So many of the system's loans have gone bad that without a federal infusion it will apparently have to default on its bonds. But the banks and other lenders that compete with the system have also suffered grievous farm losses, and their argument is that if Congress helps the system it should help them too.

The bill would do that by creating a secondary market for all farm loans (not just the system's). The market would be similar to those the government has helped develop over the years for home mortgages. The farm loans would be marketed under the auspices of a new corporation. In housing, these corporations—the Government National Mortgage Association, Federal National Mortgage Association, Federal Home Loan Mortgage Corp.—have come to be known as Ginnie Mae, Fannie Mae and Freddie Mac. Now Farmer Mac would join them.

Only loans with Farmer Mac's seal of approval could be sold in the new market. The government would then help guarantee their repayment. A bank could make a loan, sell it at a slight profit in the secondary market, replenish its coffers and wipe out its risk, all in almost the same stroke. No wonder the banks like the idea.

The administration, which doesn't, says the proposal may end up draining the Farm Credit System, supposed beneficiary of the bill, of its better loans, thereby compounding rather than solving its problems. But the argument against it is more fundamental. Proponents say the secondary market—and federal guarantee—will attract more money into farming at lower interest rates. Sure it will, but where do you stop? Why not a Steely Mac for hurting steel, a Greasy Mac for dear old oil, a Threaddie Mae in case of need in textiles? Congress should tell the banks no on this one.

THE SECRETARY OF THE TREASURY,
Washington, DC, September 14, 1987.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, U.S. House of Representatives, Washington, DC.

DEAR JOHN: The Agricultural Credit Act of 1987 (H.R. 3030) contains several provisions that should help to minimize the cost of taxpayer assistance to the Farm Credit System (FCS) and at the same time strengthen the FCS. These are goals that the Administration strongly supports. However, it also contains sections with which we have significant problems. Chief among these are Title III, the secondary market provisions, and Title II, the Farmers Home Administration (FmHA) provisions.

For the past two years, we have strongly opposed the creation of a federally-backed secondary market for agricultural loans because: (1) it will do little to help farmers, particularly struggling ones; (2) the FCS itself already effectively acts as a secondary market; (3) the necessary government guarantees will increase the federal government's exposure to losses of up to several billions of dollars each time the agricultural sector falls on hard times; and (4) it seriously damages the FCS by giving a government subsidy (in the form of the guarantee) to private sector lenders who can then take over the System's best borrowers. This loss of good loan volume would be a problem in itself, and would also increase the System's cost of lending to its remaining farmer-borrowers.

Moreover, as former Federal Reserve Chairman Paul Volcker pointed out last year, while a secondary market could increase the liquidity of lenders, there is ample credit available at this time. There simply is a short supply of creditworthy lending opportunities.

The FmHA provisions, through overly lenient loan restructuring and "borrower rights" requirements, are expected to increase the FmHA's cost by up to $900 million in FY88.

Another provision that we oppose is directing FCS institutions that have received needed capital from healthy institutions in the System to return this capital. We believe that the FCS institutions should continue to share their capital in the spirit of self-help before taxpayer assistance is required. In addition, we believe the forbearance and borrowers' rights provisions mandated by the bill for System lenders will prove to be cumbersome to administer, expensive, and damaging to the System's recovery.

We have supported the legislative effort which started as an attempt to help bolster the Farm Credit System and all farmer-borrowers. Unless the problems I have mentioned are corrected, however, I will be forced to consider recommending that the President not sign the bill that has resulted.

Sincerely,

JAMES A. BAKER III.

CRISIS IN INDIA WORSENS

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. DWYER of New Jersey. Mr. Speaker, on several occasions over the last several months, I have taken to the floor of this Chamber to call the attention of this body to the tragic situation which exists in the Punjab region of India. As you know, Mr. Speaker, the Punjab is dominated by Sikhs, who have been involved in a long-running and deteriorating battle with the Indian Government.

It is difficult to report precisely what is happening in the Punjab. The Indian Government has imposed a virtual news blackout and limited traffic in and out of the region. But the reports which have filtered out are not good.

There are reports of fighting, riots and killings in this region. The violence which is ongoing in the Punjab should be of concern to all freedom-loving people. It is a tragedy which shows no signs of improvement. To the contrary, there is reason to suspect it could get worse.

In the face of this tragedy, the Indian government has seen fit to continually crack down on the Sikhs, to not respond to their grievances and to intensify political and martial pressure on them.

Responding to this 4-year siege, the high Sikh priests have now declared their independence from India. Yet, because of the major role which the Punjab region plays in the economy of India—it is its most productive agricultural region—it seems unlikely that the government could allow such a secession to occur if it is able to prevent it. The prognosis can only be more oppression, more bloodshed, more death.

Each time that I have come before the House to discuss this issue, Mr. Speaker, I have called for a laying down of arms and a greater dialog between the Sikhs and the Indian Government. That has not happened and the situation has gotten progressively worse.

As a representative of a congressional district in which both Sikhs and Hindus are making valuable contributions to the political, economic, and cultural life, I again urge my colleagues to be aware of this tragic civil war, of the death and destruction which has already occurred and to join with me in urging both sides to seek a negotiated settlement—one which will bring a lasting peace and freedom to this troubled region.

DEBT CEILING EXTENSION

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. COLEMAN of Texas. Mr. Speaker, I am concerned that this House will soon be presented with a debt ceiling extension sometime in the next month or so amended in a way that completely abdicates the forthright position we have taken over the past difficult year. We made a promise to the American people when we passed the Gramm-Rudman deficit reduction amendment in 1985: A promise that we would stick to tough, responsible deficit-reduction targets regardless of the political fallout.

Sticking to those targets—which for this next fiscal year is a deficit of no more than $108 billion—is what Gramm-Rudman was originally all about. We promised the American people that we would bite the bullet when the time came, if necessary, to tackle this deficit head-on and not back down to political expediency.

Mr. Speaker, the proposed compromise would be a slap in the face of the American people after making this promise. Instead of lowering the deficit to $108 billion, it would be allowed to slip to $144 billion or so. In my opinion, this would be an act of collective hand-washing of the tough choices it takes to get this deficit under control.

The so-called compromise doesn't stop there, either. The Office of Management and Budget would be given permission to cook the numbers for maximum political gain, all of which adds up to complete contravention of the spirit and the letter of the original Gramm-Rudman process.

The problem, of course, is that we all realize that the Gramm-Rudman target of $108 billion cannot be reached with spending cuts alone. President Reagan himself asked for $22 billion in revenue increases in his budget request earlier this year, and the House of Representatives, while reducing the President's revenue request by $4 billion, recognizes this need as well.

Even if Congress were to cut $20 billion in spending and raise $20 billion in new revenue, President Reagan will veto the $20 billion in new revenue. The target will be missed, and this compromise proposal if passed will force the Congress to vote for sequestration, and worse, it will force the President to sign the sequestration order, regardless of the economic impact on America.

The President has requested all year that the Congress present him with a clean debt limit extension. That 's what I would vote for, given the chance, and that's what this House ought to do. An unencumbered debt limit would permit the original Gramm-Rudman amendment, as modified by the U.S. Supreme Court, to be in place and force us to deal directly with a tough deficit target.

The truth, as I have said since 1982, is that you cannot achieve meaningful deficit reduction through spending cuts alone, but it will take a combination of revenue increases and spending cuts, with the revenue increases dedicated to deficit reduction. We should also quit reducing taxes while increasing spending.

One reason I opposed the tax reform legislation in 1986 was that it permitted huge reductions in the top rates for those wealthy taxpayers making more than $100,000 a year. Those rates have dropped from 50 percent to 38 percent, and they are scheduled to drop another 10 percent next year.

Those are the tax cuts that we should consider freezing at the current rate to prevent further losses in tax revenues that are desperately needed to fight the deficit.

The problem with raising the deficit target from $108 billion to $144 billion is that it gets us off the hook. It means that we don't have to cut spending quite as much, and we don't have to raise as much revenue. Cutting spending and raising revenues are painful choices, but they are necessary. The old saying "no pain no gain" is true, and we are not going to make progress toward balancing the budget if we allow the targets to be manipulated to avoid making the tough choices.

If there's no recognition by this Congress that the American people already understand that the national debt is the single greatest concern in the country today, then we will surely find out that is the case in the 1988 elections. The interest on the national debt is second only to defense and Social Security as the single largest item in the budget that we can control, and more and more Americans recognize it for the looming crisis it is.

Mr. Speaker, we should have become convinced by our constituents that we must stick to the fundamentals of the original Gramm-Rudman legislation. Those principles are tough but fair. We have no business fudging the target numbers. Each year we put off the tough choices, we will only have them come back twice as tough the next time around. Let's honor our promise to the American people by sticking to the original Gramm-Rudman amendment and meet our deficit targets through real budget reform and a responsible combination of spending cuts and revenue increases.

TEXTILE AND APPAREL TRADE ACT

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. TALLON. Mr. Speaker, it is time we came to our senses. Wishful thinking and dated views have clouded our understanding of the domestic effects of international trade and competition.

The world of 1987 is far different than that of 1950. Modern management and finance, technology, and the worldwide increase in the education and skills of workers have created a global economy. This new international economy has raised standards of living around the world and opened our vast domestic markets to determined competitors. And as the mountain of global productivity has grown, we are sliding farther and farther away from the pinnacle.

Lacking a strategic response, we have watched our great manufacturing enterprises falter and our industrial work force suffer the worst employment shocks in 50 years. While our market—the world's largest—is relatively open, other countries have protected their own industries from our exports. No where is this more evident than in the textile and apparel industries.

Despite stated efforts by the administration, the textile, apparel, and footwear industries are being battered by cheap labor imports. More than $15 billion has been spent in making the textile industry among the most ef-

ficient anywhere in the world. Still the flood of imports continues.

If the current trend persists, the annual textile and apparel trade deficit will exceed $23 billion. In square yards, imports reached their highest levels ever in May, increasing to more than 1 billion square yards for the month. Second profits in the second quarter of 1987 were down 12 percent from those of the second quarter of 1986. We cannot allow this to continue. That is why I believe it is imperative that my colleagues join me in strong support of H.R. 1154, the Textile and Apparel Trade Act.

This bill will help to sustain America's producers of textile, apparel, fiber, and footwear and their nearly 2 million workers by controlling the relentless growth of foreign imports. It will provide them with the market certainly needed to invest the substantial financing needed to continue their modernization efforts.

H.R. 1154 calls for a total limit on foreign textile, apparel, and footwear imports. However, it mandates no specific import restrictions on individual nations. These controls will be based on 1986 levels. This measure does not target specific nations or regions, and will allow the Government considerable flexibility in implementing its provisions. It does not discriminate among countries and provides compensation for newly established controls consistent with the General Agreement on Tariffs and Trace [GATT]. Finally, H.R. 1154 provides for a 1-percent annual import growth which is the long-term growth of the U.S. market.

This bill addresses a number of the concerns expressed by its former opponents. It provides the administration considerable flexibility. It is not inflationary and will not result in higher consumer costs. It will not provoke retaliation since it does not roll back trade. It authorizes compensation to our trading partners for the quotas by permitting textile and apparel tariffs to be reduced.

The U.S. textile and apparel industry and its workers are the most productive and efficient in the world, but they cannot compete against foreign governments that subsidize their industries, pay workers as little as 16 cents per hour, and impose severe restrictions on imports from the United States and other countries.

We cannot sit idly by and watch developing nations steadily overtake American manufacturers at home and abroad. The threat from these foreign competitors is an empty one, not because they won't start one, but because they already have. For a decade or more textile and apparel products are dumped in the U.S. market on a consistent and widespread basis. The goal is simple: the elimination of U.S. competition.

The American textile and apparel industry is fighting for its life. From 1980–86, there has been a 20-percent growth in textile imports. With the domestic market growing at a rate of just under 1 percent during the last decade, it is easy to understand how, since 1980, the industry has lost more than 1,500 factories, 40,000 jobs, and 750,000 job opportunities to foreign nations. And, without our action, the textile industry will face only increased import penetration and disruption.

In South Carolina, we are seeing entire towns shut down in the face of the textile deficit leaving families jobless and hopeless. Yet, last year we handed over $612 million to Iran to pay for textiles, carpets, pistachio nuts, caviar, and crude oil. The pace continues full tilt this year, with Iranian textile imports soaring. What does this say about our administration's commitment to opportunity, to hope, to a future for America's workers?

Mr. Speaker, I am tired of drifting and I'm tired of tiptoeing. We've got to get a program and then get with it. We cannot postpone passage of the textile bill any longer. In South Carolina and across the Nation, a flood of imports are stealing the jobs of our textile workers and the futures of their children. Passage of the textile bill will reaffirm our commitment to opportunity, to U.S. industry, to the American dream. The time for talk is past, now we must act.

If there is one word that encompasses all that America stands for, it is opportunity. But for American textile and apparel workers, it is a word that rings hollow these days. American workers want and deserve the opportunity to compete with foreign workers on an even footing. Nothing more. Nothing less.

A CONGRESSIONAL SALUTE TO DR. JOHN STUART LINK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. ANDERSON. Mr. Speaker, it is my honor to rise today to pay tribute to Dr. John Stuart Link. Dr. Link will be honored at a dinner fundraiser September 19, 1987.

Dr. John Stuart Link was born December 2, 1946 in San Diego, CA. Upon graduating from Hilltop High School, Dr. Link attended the University of Southern California where he majored in English literature. Dr. Link demonstrated his strong work ethic and commitment to excellence as he graduated from USC cum laude in 1968. After completion of his studies at USC, Dr. Link attended USC Medical School receiving his doctorate in 1972. His internship was served at Los Angeles County USC Medical Center. He practiced at the Long Beach Memorial Hospital from 1974 to 1975, and is currently on staff at the San Pedro Peninsula Hospital.

Dr. Link has a long list of great accomplishments and impressive degrees. His degrees are a tribute to his integrity and determination to succeed, and fulfill his own personal standards. From July 1976 through 1977, he was a Fellow of the American Cancer Society. From July 1975 to July 1977, he earned a fellowship from the USC Department of Medicine in medical oncology. Dr. Link is a member of the Certified Board of Internists and Diplomate on the Board of Internal Medicine.

Dr. Link is truly known for his gentleness and untiring efforts in dealing with the terminally ill. He demonstrates his commitment to the ill everyday, and has a remarkable ability to instill hope in all.

Mr. Speaker, as you can see, Dr. John Stuart Link has done much to make his community a beautiful place in which to live and work. My wife, Lee, joins me in congratulating Dr. Link on all his accomplishments. We wish him and his wife, Victoria, and his four daughters, Erin, Ashley, Amanda, and Rebecca, happiness and all the best in the years ahead.

HONORING ARMAND D'ANGELO

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. ACKERMAN. Mr. Speaker, I rise today on the occasion of a dinner-retirement party sponsored by the officers and members of the joint industry board of the electric industry in honor of their chairman, Armand D'Angelo.

Ever since he was a young man, Armand D'Angelo has been dedicated to serving the electrical industry. He began his career as an apprentice and was gradually promoted to general foreman. Over the years, Armand continued to advance and serve the industry in a memorable fashion.

In 1957, New York City Mayor Robert F. Wagner appointed Armand D'Angelo as the commissioner of water supply, gas, and electricity, a position he held until 1965. The following month, Armand was elected to become the first full-time and salaried chairman of the joint industry board [JIB]. For the first time in its 80 year history, the electrical industry had a person with a union background as both its chief representative and its administrator.

During his tenure as chairman, the joint industry board has seen not only the maintenance and monetary increase in many established programs, but also the creation of new benefits in areas previously unheard of. The JIB annual report, begun by D'Angelo, recalls the events of the past year, illustrates the industry's progress, and provides valuable information about JIB's developments. Another innovation of Armand's was the creation of a one-stop procedure for retirees. Under this system, JIB assists members in filing for Social Security as well as other negotiated benefits in the familiar surroundings of the industry. This process tends to ease the difficulties felt by most workers who in preparing for retirement were required to make trips to different agencies often succumbing to an avalanche of forms and procedures.

With his experience as a public servant, Chairman D'Angelo was able to institute many new administrative policies to streamline the operation of the JIB and thereby enhance a more productive structure to benefit both labor and management. Throughout his tenure, great strides were made to rid the industry of its previous racial imbalance and father-son policy that hinders entrance into the apprenticeship program. To remedy this situation, JIB in 1966 participated in open-comprehensive testing, administered by the Department of Labor, to determine which applicants were best suited for the apprenticeship program. Another milestone was recorded in the annals of the JIB when in 1975 the first group of women were admitted into the apprenticeship training program.

Armand D'Angelo has left a legacy of charismatic leadership which will serve as a guidepost and goal for future generations to emulate.

Mr. Speaker, I call now on all of my colleagues to join me in congratulating Armand D'Angelo, his wife Yolanda, their two sons, Carl and Joseph, their daughters-in-law Patricia and Olga, and their seven grandchildren on his day of retirement after many years of dedicated service to the electrical industry, joint industry board, and the community, and in wishing him the best as he begins a new phase in his life.

HEROINE FOR THE UNEMPLOYED

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 16, 1987

Mr. OWENS of New York. Mr. Speaker, I rise in memory of Lucille Rose, an outstanding administrator of federally funded job development programs in New York City who later served as deputy mayor of the city of New York. Job training legislation represents one of the most significant and pragmatic achievements of the U.S. Congress.

Despite a considerable number of problems, across the country federally funded employment programs achieved a practical, bread and butter impact on the lives of thousands of Americans. New York City supplemented its Federal funds with city tax levy funds in amounts far greater than the matching sums required. The result was a gigantic program far greater than any comparable undertaking elsewhere in the country.

Lucille Rose guided the New York City Department of Employment through its most tumultuous and expansive years. Mrs. Rose was an early champion of the hard-core unemployed. She insisted that the lion's share of the training resources and the first available jobs should go to those who needed them most. For her tenacity in defense of this principle Lucille Rose was once publicly called a "liar" by a major New York City labor leader. But history has vindicated Lucille Rose. The failure to heed her pleas led to a steady erosion of the Comprehensive Employment Training Act [CETA] Program. Public officials who opposed granting first preference to the hard-core unemployed laid the groundwork for massive corruption within the CETA Program. Abuses escalated to the point where CETA became indefensible and CETA was destroyed.

The vision and courage of Lucille Rose, if it had been appreciated, could have saved this vitally needed program. Today we are faced with a pressing necessity to re-create the CETA Program. Because local and State officials who held the reins of power refused to heed the wisdom of civil servants and administrators like Lucille Rose, we must now reinvent a program that was destroyed by clubhouse greed.

Lucille Rose was not only competent and creative, she was also practical and compassionate. Her family background, education, and on-the-job training prepared her to thoroughly understand the people in need and the clientele served as well as the government bureaucracy.

Lucille Rose was born on September 27, 1918, in Richmond, VA, and died in New York on August 15, 1987, of a heart attack at the age of 67.

She was a resident of Brooklyn, NY, from the time she and her family moved to the area. She attended and graduated from Public School 3, Girls High School, and Brooklyn College. She received her master's degree from the New School of Social Research in New York City.

Lucille Rose began her long and outstanding career in public service as a fiscal clerk in the department of social services in 1949. After earning a degree in economics from Brooklyn College in 1963, she was named director of the Bedford-Stuyvesant field office of the city's department of labor. By 1970, her responsibilities increased to the degree that New York City Mayor John Lindsay appointed her the first deputy commissioner of the city's manpower and career development agency.

In 1972, Mrs. Rose became the commissioner for the department of employment. While she headed the agency, its budget grew from $55 million to $300 million.

The highlight of Mrs. Rose's career came in 1977, when New York City Mayor Abraham Beame appointed her to the post of deputy mayor, an appointment which made her the first woman in that position.

She also distinguished herself in the various posts she held in a number of political and civic organizations. She was the first woman president of the Catholic Interracial Council; a member of the National Association for the Advancement of Colored People; the National Democratic Committee; the Salvation Army Advisory Committee; and Saint Mary's Hospital. Prior to her death, she had been elected president of the Bedford-Stuyvesant Brooklyn Chapter of the Lioness Club.

Throughout her life, Lucille Rose worked unceasingly to promote racial justice, quality health care, and educational and employment opportunities for everyone. It is altogether fitting and proper that all people who care about the unemployed and the people on the bottom who are struggling to help themselves mourn her passing and salute the outstanding contributions of Lucille Rose.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 17, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 18

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
Business meeting, to mark up H.R. 2712, appropriating funds for fiscal year 1988 for the Department of the Interior and related agencies.
SD-116

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on product liability.
SR-253

Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold oversight hearings to discuss the National Coal Council reserve data base report and the state of information relating to the quality and recoverability of U.S. coal reserves.
SD-366

Judiciary
To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.
SR-325

Labor and Human Resources
Education, Arts and Humanities Subcommittee
To hold hearings on S. 303, Jacob K. Javits Gifted and Talented Children and Youth Education Act, and S. 1348, Office of Comprehensive School Health Education Act.
SD-430

10:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
Business meeting, to mark up H.R. 3058, appropriating funds for fiscal year 1988 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-192

SEPTEMBER 21

9:30 a.m.
Small Business
Government Contracting and Paperwork Reduction Subcommittee
To hold hearings to examine the impact of a series of amendments to the Small Business Act as contained in the Department of Defense Authorization Act for fiscal year 1987 (P.L. 99-661).
SR-428A

10:00 a.m.
Judiciary
To resume hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice

of the Supreme Court of the United States.

SR-325

SEPTEMBER 22

8:45 a.m.

Armed Services

To hold hearings on the effectiveness of legislation enacted last year establishing the position of the Under Secretary of Defense for Acquisition.

SR-222

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

10:00 a.m.

Foreign Relations

To hold hearings on the nomination of M. Alan Woods, of the District of Columbia, to be Administrator of the Agency for International Development.

SD-419

Judiciary

To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

Small Business

To hold oversight hearings on the Small Business Administration small business development center program.

SR-428A

11:00 a.m.

Environment and Public Works

Business meeting, to mark up proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.

SD-406

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

SEPTEMBER 23

9:00 a.m.

Rules and Administration

Business meeting, to consider S. 1490 and H.R. 2249, bills to designate certain employees of the Library of Congress as police for duty with respect to the Library buildings and adjacent streets and to require the rank structure and pay for such employees to be the same as that for the Capitol Police, H.R. 60, to authorize the Architect of the Capitol to accept gifts and bequests of personal property and money for the benefit of the Capitol Buildings Art Collection, and H.J. Res. 309, to establish the Speaker's Civic Achievement Awards Program to be administered under the Librarian of Congress.

SR-301

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Credit Subcommittee

Business meeting, to resume markup of S. 1665, Farm Credit Act of 1987.

SR-332

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Business meeting, to mark up proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.

SD-406

Governmental Affairs

Federal Spending, Budget, and Accounting Subcommittee

To hold hearings on proposed legislation authorizing funds for Federal procurement policy programs.

SD-608

Governmental Affairs

Federal Services, Post Office, and Civil Service Subcommittee

To hold hearings on the impact of proposed catastrophic health legislation on the Federal Employee Health Benefit program and the Federal annuitant.

SD-342

10:00 a.m.

Judiciary

To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

2:00 p.m.

Energy and Natural Resources

Research and Development Subcommittee

To hold hearings on S. 1294, to promote the development of technologies which will enable fuel cells to use alternative fuel sources, S. 1295, to develop a national policy for the utilization of fuel cell technology, and S. 1296, to establish a hydrogen research and development program.

SD-366

Select on Indian Affairs

Business meeting, to mark up S. 1475, to establish a clinical staffing recruitment and retention program within the Indian Health Service, and H.R. 2937, to make miscellaneous technical and minor amendments to laws relating to Indians.

SR-485

SEPTEMBER 24

9:00 a.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

SEPTEMBER 25

9:30 a.m.

Governmental Affairs

Federal Spending, Budget, and Accounting Subcommittee

To resume hearings to examine the results of a General Accounting Office survey regarding the accounting procedures and processing of seized cash and properties by Federal agencies.

SD-342

10:00 a.m.

Judiciary

To resume hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

SEPTEMBER 28

9:30 a.m.

Governmental Affairs

To hold oversight hearings to review inventory control and surpluses by Federal agencies.

SD-342

SEPTEMBER 29

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings in conjunction with the National Ocean Policy Study to review coastal zone management consistency provisions.

SR-253

Governmental Affairs

Oversight of Government Management Subcommittee

To resume oversight hearings on Federal procurement decisions concerning Wedtech Corporation.

SD-342

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

2:30 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on H.R. 2121, to authorize and direct the National Park Service to assist the State of Georgia in relocating a highway affecting the Chickamauga and Chattanooga National Military Park in Georgia, H.R. 1983, to authorize the Secretary of the Interior to preserve certain wetlands and historic and prehistoric sites in the St. Johns River Valley, Florida, and S. 858, to establish the title of States in certain abandoned shipwrecks.

SD-366

SEPTEMBER 30

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To continue oversight hearings on Federal procurement decisions concerning Wedtech Corporation.

SD-342

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

OCTOBER 1

2:00 p.m.

Energy and Natural Resources

To hold closed hearings on the status of the Department of Energy's efforts to address issues concerning the defense materials production reactors located in the United States.

S-407, Capitol

OCTOBER 6

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on pipeline safety.

SR-253

OCTOBER 7

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To resume hearings on S. 1600, to create an independent Federal Aviation Administration.
SR-253

OCTOBER 8

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on government handling of Soviet and communist bloc defectors.
SD-342

OCTOBER 9

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on government handling of Soviet and communist bloc defectors.
SD-342

OCTOBER 20

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on S. 816, S. 1026, and S. 1040, bills relating to the construction, acquisition, or operation of rail carriers, and to review the Interstate Commerce Commission consideration of railroad line sales.
SR-253

NOVEMBER 5

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on activities of the Federal Aviation Administration, Department of Transportation.
SR-253

NOVEMBER 10

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To resume hearings on S. 1600, to create an independent Federal Aviation Administration.
SR-253

NOVEMBER 12

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To resume hearings on S. 1600, to create an independent Federal Aviation Administration.
SR-253

CANCELLATIONS

SEPTEMBER 17

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

SEPTEMBER 24

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366