602(b)(1) of the Budget Act totals $20,180,000,000 in budget authority and $20,216,000,000 in outlays for fiscal year 1996. Of these amounts the defense discretionary allocation is $11,447,000,000 in budget authority and $10,944,000,000 in outlays.

For domestic discretionary the budget authority allocation is $8,863,000,000 and the allocation for outlays is $9,272,000,000. The committee recommendation uses nearly all of the budget authority allocation in both categories, so there is no room for add-ons to the bill as there are no additional outlays available for spending. Therefore, any amendments to add will have to be offset by reductions from within the bill. The bill is approximately 57 percent in the defense [050] function and about 43 percent for domestic discretionary programs.

SUMMARY OF RECOMMENDATIONS

Mr. President, the fiscal year 1996 budget estimates for the bill total $20,681,648,000 in new budget obligations authority. The recommendation of the committee provides $20,162,093,000. This amount is $520 million under the President's budget estimate and $1,464,636,000 more than the House-passed bill.

Mr. President, I will briefly summarize the major recommendations provided in the bill. All the details and figures are, of course, included in the committee report number 104–102, accompanying the bill, which has been available since last Friday.

TITLE I, ARMY CORPS OF ENGINEERS

First, under title I of the bill which provides appropriations for the Department of the Army civil works program, U.S. Army Corps of Engineers, the recommendation is for a total of new budget authority of $3,174,512,000, which is $45 million below the House and $133 million less than the budget estimate. it is $234 million less than the fiscal year 1995 appropriation.

The committee received a large number of requests for various water development projects including many requests for new construction starts. However, as the chairman has stated, due to the limited budgetary resources, the committee could not provide funding for each and every project requested. The committee recommendation does include a small number of new construction starts and has deferred without prejudice several of the largest of the projects eligible for initiation of construction. Because of the importance of some of these projects to the economic well-being of the Nation, the committee will continue to monitor each project's progress to ensure that it is ready to proceed to construction when resources become available. As the committee reports points out, the committee recommendation does not agree with the policies proposed by the administration in its budget.

TITLE II, DEPARTMENT OF THE INTERIOR

For title II, Department of the Interior Bureau of Reclamation, the recommendation provides new budget authority of $816,624,000 million, which is $16 million less than the budget estimate and $40 million under the House bill.

TITLE III, DEPARTMENT OF ENERGY

Under title II, Department of Energy, the committee provides a total of $16.2 billion. This amount includes $2.8 billion for energy supply, research and development activities, a net appropriation of $29 million for uranium supply and enrichment activities; $279 million for the uranium enrichment decontamination and decommissioning fund, $971 million for general science and research activities, $151.6 million from the nuclear waste disposal fund, and $6.6 billion for environmental restoration and waste management—defense and nondefense.

For the atomic energy defense activities, there is a total of $11.429 billion comprised of $3.752 billion for weapons activities; almost $6.0 billion for defense environmental restoration and waste management; $1.440 billion for other defense programs and $248 million for defense nuclear waste disposal.

For departmental administration $377 million is recommended offset with anticipated miscellaneous revenues of $137 million for a net appropriation of $240 million. A total of $312.5 million is recommended in the bill for the power marketing administrations and $131 million is for the Federal Energy Regulatory Commission [FERC] offset 100 percent by revenues.

A net appropriation of $197 million is provided for solar programs, including photovoltaics, wind, and biomass and for all solar and renewable energy, $283.5 million, an increase of over $17 million over the House bill.

For nuclear energy programs, $280 million is recommended, which is about $13 million less than the current level. The major programs provided for included funds to continue the advanced light water reactor program at $40 million and about $73 million in termination costs. The sum of $12.5 million is included for the gas turbine-modular helium reactor [GT–MHR], also known as the gas reactor which I strongly support.

For the magnetic fusion program, the committee is recommending $225 million, which is $141 million less than the budget. An amount of $428.6 million is included for biological and environmental research and $792 million for basic energy sciences.

TITLE IV, REGULATORY AND OTHER INDEPENDENT AGENCIES

A total of $331 million for various regulatory and independent agencies of the Federal Government is included in the bill. Major programs include the Appalachian Regional Commission, $182 million; Nuclear Regulatory Commission, $474.3 million offset by revenues of $457.3 million; and for the Tennessee Valley Authority, $110.4 million.

Mr. President, this is a good bill. I wish there were additional amounts for domestic discretionary programs in our allocation but that is not the case. A large number of good programs, projects, and activities have been either eliminated or reduced severely, because of the allocation, but such action is required under the budget constraints we are facing. I hope the Senate will act favorably and expeditiously in passing this bill so we can get to conference with the House and thereafter send the bill to the White House as soon as possible.

Mr. President, I yield the floor with just the parting comment that it is a pleasure to work with the Senator from New Mexico and with the chairman of the full committee, Mr. HATFIELD.

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

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

FOREIGN RELATIONS REVITALIZATION ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 908, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 908) to authorize appropriations for the Department of State, for fiscal years 1996 through 1999 and to abolish the United States Information Agency, the United States Arms Control and Disarmament Agency, and the Agency for International Development, and for other purposes.

The Senate resumed consideration of the bill.

Mr. HELMS. Mr. President, I am pleased that the Senate has finally proceeded to S. 908, the Foreign Relations Committee's Foreign Relations Revitalization Act of 1995.

This is hallmark legislation, and it represents the first proposal to revamp U.S. foreign affairs agencies since the end of the cold war. It is forward looking legislation that puts our Nation's interests first and instructs the United States to organize and streamline its operations for the 21st century, which is just around the corner.

I wish I had the ability of Abraham Lincoln, who so ringingly affirmed the essence of what we are as a nation. And he did it on the back of an envelope. There are not many individuals who have Lincoln's wisdom, and certainly I do not, but I can say that in drafting this bill, the Senate Foreign Relations Committee relied heavily on the wisdom of many individuals and on numerous studies made by several administrations of both parties. Those studies focused on how the United States could better organize its foreign affairs institutions. We have received the counsel of five former U.S. Secretaries of State whose services spanned the

past two decades. And those five former Secretaries of State have endorsed this legislation wholeheartedly.

After careful review of our proposal, these five former Secretaries of State met with us, talked with us, and gave broad support to our effort. Of course, that pleased me very much, and I am grateful to them. Let me just give a few examples of what they said.

Former Secretary of State James Baker III asserted that he considers our proposal ''breathtaking in its boldness and visionary in its sweep.'' Henry Kissinger described S. 908 as ''a bold step in the direction of,'' as he put it, ''centralizing authority and responsibility for the conduct of foreign affairs where it properly belongs—in the President's senior foreign affairs adviser, the Secretary of State.''

Former Secretary of State Alexander Haig ''heartily'' endorsed the committee's reorganization proposal, and even Mr. Clinton's Secretary of State, Secretary Christopher, with whom I worked closely and whom I respect greatly, concluded that a plan to abolish the U.S. Information Agency, the Agency for International Development, and the Arms Control and Disarmament Agency made sense.

In November 1994, just after the election, Secretary Christopher presented his own reorganization plan to the Vice President's office. Now, the Vice President, a former Senator with whom all of us have served, or practically all of us, has had much proclamation and assertions, declarations that we are going to reinvent Government. That is AL GORE's press agent speaking for him.

Anyway, in November, when Secretary Christopher presented his own reorganization plan to AL GORE's office, there was intense interagency lobbying at the White House. Boy, they were running around like a bunch of road runners. After an intense period of this ferocious lobbying at the White House, Secretary Christopher's plan lost out to those whose interests appeared to care more about protecting their bureaucratic turfs than in the reinvention of Government for the post-cold-war world.

So Mr. Christopher had a proposal, but it was knocked down by the very office that was created to reinvent Government. Secretary Christopher is a good soldier. He swallowed hard and accepted what had happened to him.

Meanwhile, in its place, Vice President GORE promised the American public his own plan. He said it will be delivered—his own plan—to keep all of the bureaucratic agencies and cut $5 billion, nonetheless, out of the foreign affairs budget for the next 5 years.

That is sort of like jumping off a 300-foot diving board into a wet washcloth. He could not do it. But he said that is good news and I am glad to give it to you, and I guess a lot of people accepted it as good news. But the bad news is that the Vice President has yet to this very minute to release even one detail of his proposal, despite constant appeals from Members of Congress, including your humble servant now speaking. A lot of people of his own persuasion in the Congress, in both the House and Senate, have said, ''Let us have it, let us have it.'' Silent in seven languages. There are no details. There are no plans from the Vice President's Office.

In fact, the United States State Department itself has yet to submit a formal authorization request for fiscal year 1996.

So you see the pattern, Mr. President. They promise a lot, they talk a lot, they brag on themselves a lot down on Pennsylvania Avenue and in Foggy Bottom, but when it comes to producing, nothing happens. It is all politics.

But in the absence of leadership from the executive branch, it was left to those of us in Congress to take the lead. On March 15, Senator SNOWE, the distinguished lady from Maine, and Chairman BEN GILMAN of the House committee, and I announced publicly a plan to restructure U.S. foreign affairs agencies. S. 908—now get that number, S. 908, because we are going to be talking about S. 908 a great deal in the coming days and weeks. It is the pending business in the Senate and it is the legislative realities of the plan that we worked so long and hard on with not one bit of cooperation from the administration. Not one iota of cooperation. They want to keep the bureaucracy intact. They are going to promise to cut spending, but they are not going to eliminate any bureaucrats.

The administration has rejected any attempt to join in helping us shape this initiative. Silent in seven languages. ''Don't bother me,'' they said. The administration's response has been a confrontational one, and here I quote from some internal notes from one of the meetings on this legislation conducted in the administration and by the administration. Their plan to greet this legislation, and we will watch and see what happens, their plan is to ''delay this legislation, to derail this legislation, to obfuscate''—and I am quoting from their own memorandum, ''to kill the merger.''

So if we are even going to have an opportunity to vote on this bill, we are going to have to have a cloture vote, meaning that we will have to get a constitutional three-fifths of the U.S. Senate to vote to let us have a vote. Now whether we are going to get any help from the other side remains to be seen. It is going to be interesting to watch what happens on the other side

So what I am saying, Mr. President, is that the administration obviously, flagrantly has not wanted the Senate Foreign Relations Committee to produce any legislation that would reduce the bureaucracy which would cut down on foreign aid and all of the other things the American people have been demanding for so long.

The administration has refused cooperation at every juncture—every juncture, without exception. It has refused even to talk about a consolidation. It has refused to provide the Congressional Budget Office with the information that the Congressional Budget Office has to have in order to compute the billions of dollars the taxpayers will be saving by the pending legislation.

Talk about stonewalling, this is stonewalling to the nth degree. The concepts advocated in this bill have the force of history behind them and the support of the American people in making all of this become law. In other words, the polls show that the American people want this legislation. They do not want to keep the fat bureaucracy in place. They do not want to continue to spend billions upon billions of dollars on foreign aid in corrupt countries.

The question of why reorganize almost answers itself. Why? Let us say a few things about that. We must reorganize because eliminating the vast duplication, the incredible waste, the unnecessary bureaucracy offers the only—the only—opportunity to maintain U.S. presence overseas while out-of-control Federal spending is reined in at home.

Lacking any substance to their opposition, they began several months ago to throw around epithets. One of the administration's officials went down to the National Press Club, and he charged the committee, or the majority on the committee, and JESSE HELMS specifically, with being isolationists. This is puzzling, and I have to ask the question: Are Secretary Kissinger, Secretary Shultz, Secretary Haig, Secretary Baker, Secretary Eagleburger, are all five of them isolationists? Of course not. But the epithet works with this administration.

You can watch on various other things that are front and center on the agenda today. You can note what the President of the United States himself is saying on these things. They may not be true, but if they may persuade some voters, he is going to say it.

But I say this to the President of the United States, and to you, Mr. President, and to the American people: If Congress fails to seize this opportunity to consolidate, the international affairs budget will be large enough to cover the cost of the Federal employees and overhead the mass of bureaucracy now entails. The international affairs budget will be large enough to do all of that. There are only two choices—two, no more, no less: First, save smart through consolidation, or Second, eliminate Federal programs. I am tempted to say, will the real ''isolationists″ please stand up. But we cannot see the State Department and AL GORE's office from here.

The administration and its legions of bureaucrats and AID contractors have distorted the contents of this measure from the very beginning. I have been astonished at some of the things that

have been said and fed to the newspapers, which gleefully publish it without checking on the accuracy. I must say that I am appalled by the administration's lack of understanding as to the enormous flexibility provided in this measure.

This consolidation plan provides greater flexibility to the executive branch than exists in current law. The only hitch is to abolish three outdated agencies. That is where the protests have come.

This bill does not legislate every position and office in the Department of State, and anybody who says to the contrary has not even read the bill.

Now, the committee provides guidance for the organizational structure of consolidation. S. 908, the pending bill, mandates 5 Under Secretary positions—the exact number mandated under current law—and provides authority for 20 Assistant Secretary positions, two of which are mandated. What do you know, current law mandates three. The bill before you allows the President and Secretary of State unparalleled flexibility to organize under the five senior positions at State. The committee provides $225 million over 2 years for transitional funds with extraordinary authorities. This is designed to ease and facilitate transition to a reduced Federal bureaucracy.

Now, for the purpose of emphasis, Mr. President, let me remind the Senate that the pending bill, S. 908, is the very first authorization bill this Senate has considered since the House and Senate budget agreed to achieve a balanced Federal budget by the year 2002. I am pleased and grateful that the Foreign Relations Committee has fulfilled its duty. We have done the best we can. If sheer, raw politics takes over and prevents the approval of this bill, or even a vote on it by this Senate, that will not be our fault.

This bill, S. 908, meets the Budget Committee targets, and it puts our international affairs budget on a trajectory to balance the Federal budget.

The Congressional Budget Office, who is pretty good at this thing, estimates that S. 908 will save more than $3.5 billion over 4 years—$3.66 billion to be exact. It will save almost $5 billion over the next 5 years, and these savings do not result from dramatic cuts in international programs. They result in dramatic cuts in the bloated Federal bureaucracy.

Now then, Mr. President, consolidation is the only available option to maintain our overseas presence at the budget levels that have been agreed to for the next 7-year period. They have been voted on by this Senate. If the administration succeeds in its efforts to shoot down this bill, the foreign affairs agencies will be in far worse shape than ever.

The House of Representatives, because they have different rules from the Senate, passed the companion bill, H.R. 1561, several weeks ago, and the House is ready to go to conference with the Senate if, as and when we pass this bill.

The able Senator from Massachusetts, [Mr. KERRY], who has so faithfully supported his President, offered an amendment in the Foreign Relations Committee to consolidate these agencies. But the Senator's amendment provided only half the cost savings of the committee bill and, of course, that does not qualify. We have to meet the budget that we voted to approve in the U.S. Senate. Senator KERRY knows, notwithstanding the administration, that consolidation is the right thing to do. I have known JOHN KERRY for a long time, and I know that he understands the situation.

Well, I guess we are in sort of the position that Mark Twain once remarked about. He said, Mr. President, ''Always do right. This will gratify some people and astonish all the rest.''

Maybe the administration does not want to astonish anybody. I will tell you one thing, the American people expect both the President and the U.S. Senate to do the right thing.

Mr. President, consolidation is the only way to go, and it is the right thing to do. Of course, I urge Senators on both sides of the aisle to lay politics aside and let us proceed with this bill.

Thank you, Mr. President.

I now yield to the distinguished ranking member of the committee, Senator PELL.

Mr. PELL. I thank my colleague.

Mr. President, the Senate now turns to S. 908, the Foreign Relations Revitalization Act of 1995. In prior years this legislation has been called the Foreign Relations Authorization Act and has authorized funding for the Department of State, the U.S. Information Agency [USIA], and international broadcasting activities.

I want to acknowledge at the outset, Mr. President, the earnestness which with the Foreign Relations Committee Republicans—under the leadership of Chairman HELMS—have tackled this legislative effort. In this bill, Senator HELMS has made a serious—if controversial—effort to examine and adapt the U.S. foreign policy structure to the exigencies of the post-cold-war world. I think it is important to note the contributions that the senior Senator from North Carolina has made in this regard. I also wish to underscore that in this era of budget stringency, I well understand the imperative of consolidation and the elimination of duplication in the foreign affairs bureaucracy. I therefore can appreciate Senator HELMS' intent in moving this legislation.

During my tenure on the Foreign Relations Committee, I always have tried to work cooperatively and in good faith with Senator HELMS. I have appreciated his unmistakable candor, as well as the courtesy he extended me when I was chairman. When we have disagreed, we both have attempted to do so in an agreeable manner. One of my main reasons for doing so, above and beyond the regard I have for Senator HELMS, is the importance that I attach to bipartisanship in foreign policy. I regret to note that, for the first time in my memory, this bill was reported by the committee on a straight, party-line vote.

I also must point out the administration's strenuous opposition to this bill. Secretary of State Warren Christopher outlined the administration's views in a July 25, 1995 letter to me. I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks, and from which I now will quote.

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

(See exhibit 1.)

Mr. PELL. Christopher writes:

> At a time when our nation's security and prosperity demand sustained American engagement in the world, this bill mandates drastic resource reductions for international affairs and undermines the President's constitutional authority to conduct our foreign policy. If S.908 is presented to the President in its current form, I will have no choice but to recommend a veto.

In a July 26 statement, the President said that S. 908 would attack his constitutional authority to conduct America's foreign policy, and that, ''if this legislation comes to my desk in its present form, I will veto it.'' I ask unanimous consent that the President's veto statement be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. PELL. Why, Mr. President, has this bill has become so controversial that the Secretary would recommend and the President would threaten a veto? The answer lies in the number of proposals that collectively would restrict the President's ability to conduct foreign policy. The most troublesome of these is the plan, outlined in title I of the bill, to reorganize entirely our country's foreign policy agencies. Specifically, the proposal mandates the elimination of the U.S. Agency for International Development [USAID], the Arms Control and Disarmament Agency [ACDA], and USIA, and transfers some of their responsibilities to the State Department. I believe the plan is fraught with problems, and I will address these shortly.

In addition to the reorganization plan, there are a number of other disturbing provisions of this bill—particularly with regard to the United Nations. Having just returned from the 50th anniversary celebration of the founding of the United Nations, I am freshly reminded that U.S. interests are well served by our active participation in the United Nations. I continue to support a vigorous and active U.S. involvement in the U.N. system.

Titles II and III of this bill, however, contain what might best be described as an assault on the U.N. system. Not only does the bill authorize drastic

cuts in funding levels for U.S. assessed contributions to the United Nations in section 201, it also places extreme new restrictions on U.S. participation in and involvement with the United Nations. As Secretary Christopher noted in his letter to me, ''the funding cuts this bill proposes in U.N. accounts and the onerous restrictions it would place on our ability to support U.N. peacekeeping would reduce our ability to achieve meaningful reform.'' The President added further that, ''the legislation would handcuff our ability to take part in and lead United Nations operations, limiting our choice each time a crisis arose to acting alone—or not at all.''

Section 205, for instance, would withhold large percentages of the U.S. contributions to the United Nations until an annual certification is made regarding the Office of the U.N. Inspector General. The section lays out criteria that are arbitrary and impossible to certify, which will mean substantial and unnecessary cuts in our contributions to the United Nations. This section will, as a result, do little to advance U.N. reform and will only undercut U.S. leadership at the United Nations. I hope very much it can be modified.

Other sections pertaining to the United Nations in title II are equally problematic. In particular, I am concerned about various provisions in sections 203, 217, and 220, as well as other sections, and I intend to address these during the course of debate on this bill.

Moving beyond the U.N. provisions, Mr. President, I want to focus for a moment on the reorganization plan and its impact. As many of my colleagues know, the plan is largely the result of the efforts of the chairman of the Foreign Relations Committee, Senator HELMS. As I said earlier, Chairman HELMS has taken a serious initiative, and already he has made an important contribution to the debate over the conduct of foreign affairs in the post-cold-war era.

That being said, I am opposed to Congress deciding—on its own—how to restructure the way in which the President conducts American foreign policy. Moreover, it is far from clear that this plan represents the best way to adapt our foreign policy structure to our times. That being the case, I do not think it would be prudent for Congress to insist that this President—or any President, for that matter—implement the plan.

The proponents of this reorganization plan have emphasized cuts, consolidation, and elimination, but in my opinion have not paid sufficient attention to the consequences. Nearly everything in this plan suggests that the United States should retrench from its global commitments and responsibilities. If taken to its logical conclusion, the plan could well lead the United States on the path toward isolationism and withdrawal.

As we proceed, I intend to support a Democratic alternative to the restructuring plan. The alternative proposal mandates a reduction in the number of foreign affairs agencies—USAID, ACDA, and USIA, and in fact would allow the elimination of all three of them. Where it differs from the Republican plan is in giving the President—in whom the Constitution vests primary responsibility for the conduct of foreign relations—some flexibility to determine how best to organize the foreign affairs agencies. Our proposal leaves it to the President to decide which agencies should be eliminated, and how their responsibilities should be restructured.

I hope the Senate will give careful consideration to our proposal, as it embraces the goals Chairman HELMS has set forth during the committee's consideration of the bill, but goes about achieving them in what I believe is a more reasonable and practical manner.

During the Foreign Relations Committee markup of S. 908, a number of Democratic amendments were offered to try to improve the reorganization plan and other portions of the bill. I offered an amendment to preserve an independent ACDA, which regrettably was defeated as were similar amendments on USIA and USAID. That being the case, I expect there will a great many amendments offered in order to improve this bill, including amendments to save each of the independent foreign affairs agencies. Senator HATFIELD and I, for example, intend to offer an amendment on ACDA similar to that offered in committee. In an era when threats to U.S. security are becoming more diverse and challenging, it defies reason that the Congress would want to dismantle the sole independent voice for nonproliferation within the U.S. Government. I hope very much that the rest of the Senate will concur.

Mr. President, as we approach the onset of the 21st century, it is evident that the United States must redefine its place in global affairs. To do so, our Presidents must have at their disposal the proper tools to develop and implement foreign policies that reflect the changing nature of American interests. If we adopt this bill in its present form, I fear the Congress will—unnecessarily and unwisely—do grave damage to our country's future ability to function as a world power. To quote once again the Secretary of State, this bill ''deliberately gouges our resources and micromanages the funds that remain. * * * S. 908, as currently drafted, will have a destructive effect on the conduct and character of American foreign policy for years to come.''

Mr. President, unless there are dramatic and wholesale changes to this bill, I intend to vote against it. If I happen to lose that vote and the Congress enacts this bill, it appears that the President will veto. It distresses me very much that our foreign policy is being cast in such partisan terms. I do not believe such an approach serves the interests of our Nation or its people.

EXHIBIT 1

THE SECRETARY OF STATE,
Washington, July 25, 1995.

Hon. CLAIBORNE PELL,
Committee on Foreign Relations,
U.S. Senate.

DEAR SENATOR PELL: The Senate will soon consider S. 908, the ''Foreign Relations Revitalization Act of 1995.'' At a time when our nation's security and prosperity demand sustained American engagement in the world, this bill mandates drastic resource reductions for international affairs and undermines the President's constitutional authority to conduct our foreign policy. If S. 908 is presented to the President in its current form, I will have no choice but to recommend a veto.

This bill's attack on Presidential authority is unprecedented in scope and severity. It interferes with the President's responsibility to structure America's foreign policy apparatus by abolishing three agencies of government and merging their functions into the Department of State. And it slashes the numbers of foreign affairs professionals who are so essential to meet the threats and seize the opportunities of the turbulent post-Cold War world.

This bill takes no account of the serious and successful efforts this Administration is taking to streamline the foreign affairs agencies and to consolidate functions among them. The State Department, ACDA, AID, and USIA are all vigorously cutting costs and employment, realigning resources to better match policy priorities, and modernizing communications and information systems. Eliminating these latter three agencies, as the bill proposes, would undermine our effectiveness—not enhance it.

While S. 908 contains a number of management authorities sought by the Department of State, the cumulative weight of its restrictions, requirements and prohibitions would obstruct the President's ability to conduct America's foreign policy and cripple America's ability to lead. The bill purports to prohibit any U.S. diplomatic activity in North Korea, thus impeding our ability to implement the North Korea Framework Accord that is helping to put an end to a nuclear crisis on the Korean peninsula. It also interferes with our delicate relations with China, and forces a change in our migration policy that could pose a serious threat to America's borders. We also oppose the provision requiring the Treasury Department to issue licenses permitting letter of credit payments from blocked Iraqi funds where no U.S. bank has a payment obligation, thus favoring certain corporate claimants in a manner not compelled by the law of letters of credit, to the detriment of other U.S. claimants against Iraq, including injured U.S. military personnel.

With respect to the United Nations, we share the Congress' concern about the need for reform. In Halifax and in San Francisco, the President directed the world's attention toward this important issue. There is growing support for our reform agenda and a commitment to follow-up on the progress made in Halifax. However, the funding cuts this bill proposes in UN accounts and the onerous restrictions it would place on our ability to support UN peacekeeping would reduce our ability to achieve meaningful reform. We are especially concerned about restrictions on intelligence sharing, and certification requirements related to UNPROFOR in Bosnia and the oversight function in the UN that will be impossible to meet. As the President

noted in his speech on the UN's 50th Anniversary, turning our back on the UN would increase the economic, political and military burden on the American people.

We recognize in this bill the desire of the Congress for a better foreign affairs consultation process, particularly on peacekeeping issues. We believe this can better be achieved through closer cooperation, rather than through legislation that would unduly restrict the ability of this and future Presidents to provide for the nation's security.

Finally, this bill's overall cuts in the International Affairs (150) function compromise the safety and well-being of our nation. The tiny fraction of federal spending we devote to international affairs—a mere 1.3 percent of the budget, of which only a third is included in this bill—helps us strengthen American security by fighting the spread of nuclear weapons and technology. It helps us protect American lives by combating terrorists, drug traffickers, and international criminals. It helps us create American jobs by opening foreign markets and promoting U.S. exports. And, it gives force to American principles by bolstering peace, human rights and democracy around the world.

Moreover, the preventive diplomacy that the International Affairs budget funds is our first and least costly line of defense. Compare the cost of arms control and diplomatic action to stem proliferation to the price we would pay if rogue states obtained nuclear weapons. Compare the cost of promoting development to the price of coping with famine and refugees. Compare the cost of successful government-to-government and public diplomacy to the cost of military involvement. If we gut our diplomatic activities today, we will face much greater crises with concomitant costs and crises in the future.

The Administration cannot support a bill that deliberately gouges our resources and micromanages the funds that remain. We oppose this bill and will also oppose any amendments to this bill that further restrict or restrain the President's ability to safeguard America's interests. We will firmly resist efforts that would have America abdicate its leadership role in global affairs. I firmly believe that S. 908, as currently drafted, will have a destructive effect on the conduct and character of American foreign policy for years to come.

Sincerely,

WARREN CHRISTOPHER.

EXHIBIT 2

THE WHITE HOUSE,
OFFICE OF THE PRESS SECRETARY,
July 26, 1995.

STATEMENT BY THE PRESIDENT—THE FOREIGN RELATIONS REVITALIZATION ACT OF 1995 (S. 908)

Congress is now considering legislation—S. 908, ''The Foreign Relations Revitalization Act of 1995''—that would undermine the President's authority to conduct our nation's foreign policy and deny us the resources we need to lead in the world. If this legislation comes to my desk in its present form, I will veto it.

S. 908 attacks the President's constitutional authority to conduct America's foreign policy. No President—Democrat or Republican—could accept these restrictions because they threaten the President's ability to protect and promote American interests around the world.

The legislation would ban or severely restrict diplomatic relations with key countries. Indeed, had it been in effect a few months ago, it would have prevented us from concluding the agreement with North Korea to dismantle its nuclear program. The legislation would handcuff our ability to take part in and lead United Nations operations, limiting our choice each time a crisis arose to acting alone—or not at all. The legislation would abolish three important agencies—the Arms Control and Disarmament Agency, the Agency for International Development, and the U.S. Information Agency. Each is already making serious and successful efforts to streamline its operations, as part of my administration's Reinventing Government program. Eliminating them entirely would undermine our effectiveness, not enhance it.

In short, the legislation would put Congress in the business of micro-managing our nation's foreign policy—a business it should not be in.

This legislation combined with S. 961, ''the Foreign Aid Reduction Act of 1995'', would also slash our international affairs budget—which already is only a little over 1.3 percent of our total federal budget. We use these funds to fight the spread of nuclear weapons and technology, to combat terrorists, drug traffickers and international criminals; to create American jobs by opening new markets for our exports; and to support the forces of peace, democracy and human rights around the world who look to America for leadership.

The proposed cuts in the international affairs budget are dangerous and shortsighted. We know from experience that it is a lot less costly—in terms of money spent and lives lost—to rely on development aid and diplomacy now than it is to send in our troops later. There is a price to be paid for American leadership. But the return on our investment—in terms of increased security and greater prosperity for the American people—more than makes up for the cost. What America cannot afford are the foreign affairs budget cuts proposed in these bills.

As I have made clear before, I want to work with Congress to get an international affairs bill I can sign—a bill that protects the President's authority to conduct foreign policy, maintains vital resources and reflects a bipartisan spirit that serves America's interests. The legislation Congress is considering fails each of those tests. If it is sent to me as it now stands, I will veto it.

Ms. SNOWE. Mr. President, I am very pleased today that we are able to bring before us the State Department authorization. It is revolutionary, refreshing. It is restructuring. It is an historic bill that, for the first time in decades, looks upon an entire component of our Government in a very different fashion.

As chair of the International Operations Subcommittee, which has jurisdiction over these issues, I am very pleased to play a role in the creation and bringing of this legislation before the floor.

Before I describe some of the issues and the features of this legislation, I certainly want to express my commendations and appreciation for the cooperation and the leadership provided to me and to others on the committee, to Chairman HELMS, who has brought this legislation to the floor. It is because of his hard work and initiative we are considering it here today.

I also want to say I am very pleased to have worked with Senator PELL, because of his contributions to the committee in the foreign policy arena over the years, and with Senator KERRY, who is the ranking member of the subcommittee.

I am not new to these issues. I have worked on these issues in the House as ranking member of the counterpart subcommittee for more than 10 years. So many of these issues are very familiar to me. But we have now reached a point where we have to decide how we are going to reform our foreign policy apparatus and policymaking bureaucracy.

This bill has two main themes: Agency consolidation and deficit reduction. It terminates three independent agencies: The Arms Control and Disarmament Agency, the Agency for International Development, and the U.S. Information Agency. It consolidates arms control, development, and public diplomacy within the hierarchy of the State Department. But it is far more than just moving bureaucratic boxes around. It integrates important aspects of American foreign policy into our basic policy formulation process. The purpose of this is to improve our overall foreign policy, not to diminish the importance of any of these functions.

For example, currently the independent Arms Control and Disarmament Agency is primarily responsible for the nonproliferation policy. But concerns about nuclear proliferation frames our relations with a range of countries around the world, from North Korea to India to Iran. This bill will integrate these issues into the policy formulation process at the Department of State. They are too important to be considered as an afterthought in the interagency process. And by better coordinating public diplomacy with policy, we will also directly benefit from the conduct of our Nation's foreign policy and foreign relations.

Public relations plays an increasingly important role in a world that is increasingly democratic. Currently, our public diplomacy expertise rests in the independent U.S. Information Agency. This bill integrates these fields into our basic foreign policymaking institutions.

The world has changed dramatically in the last decade and, with it, the demands on our foreign policy structure. Gone is the cold war and the certainty of a single opposing force in our foreign relations. Gone, too, is the highly focused foreign policy we once waged against an expansionist and authoritarian Soviet Union and its satellites.

In the 1990's we face a new imperative: To maintain a strong, aggressive foreign policy, but to streamline our operations, achieve cost savings, and meet the new criteria of a changing world. State Department consolidation is an idea whose time has come.

In the aftermath of the collapse of the Soviet Union and the reigniting of ethnic strife that has been kept bottled up by the cold war, we live in a new world. But it is not necessarily a safer world, as a multitude of crises across the world have proven in the last few years. Our legislation offers a fast, flexible foreign affairs structure that

we require and it also offers the promise of significant long-term cost savings.

This leads me to the second characteristic of this legislation and that is, of course, deficit reduction. Not only does this bill restructure Government within our foreign policy institutions to make it smaller, more efficient, but it also does so at a lesser cost. These two themes are very closely related and I believe will improve our Nation's ability to conduct a truly coordinated and consistent foreign policy.

But, without agency consolidation, we simply cannot meet our deficit reduction requirements without much deeper program cuts in the international affairs account. The Congressional Budget Office has indicated that the consolidation plan would save $3 billion over the next 4 years. And, frankly, Secretary of State Christopher had originally proposed this consolidation plan last fall, even though the interagency process did not permit the proposal to go forward with the administration, and that is regrettable, because I think it did prevent a bipartisan discussion of this restructuring proposal.

Even Vice President GORE had recommended, and said, in fact, the administration would come forward with a reinventing Government initiative for the State Department and its foreign affairs related agencies, with a planned savings of $5 billion over the next 5 years. We have yet to see that plan, let alone the administration's legislative proposal for the reauthorization of the State Department.

In all my years having managed this bill for the Republicans in the House of Representatives, we have always had an authorization proposal from the administration—whether or not they agreed with subsequently what the committee might or might not do. So I regret this bill is coming forward without bipartisan support. We have tried to be receptive to ideas, to incorporate those ideas into this restructuring. But we have yet to hear those ideas.

The fact is, I think this is the kind of legislation that demands bipartisan support. We received the unanimous support of the Republicans on the committee. It certainly is not too late to be engaged in a bipartisan process, but it is important that we understand that consolidation is necessary, and it is not because we are saying we are going to deemphasize these areas within the State Department. In fact, I say we are reemphasizing them in a different fashion as we move forward to integrate these functions more efficiently.

I am also disappointed by the administration's apparent unwillingness and its specific policy of not engaging us in the field of ideas with respect to this major restructuring of the State Department. Rather, their strategy seems to be embodied in the explicit words of an internal AID memorandum that was leaked to the press recently.

> The strategy is to delay, postpone, obfuscate, derail—if we derail, we can kill the merger.

So I think that is an unfortunate approach to one of the most significant consolidation issues in recent years. But I would like to describe the features of this legislation because I do think it is important for the Members of this body to fully understand and comprehend what we are attempting to do through this consolidation proposal.

As I said, we are abolishing three agencies and transferring their functions within the State Department. I believe the State Department itself will be enhanced as well as reorganized in a way that will significantly improve the way in which we can develop our foreign policy agenda.

The operations of the Arms Control and Disarmament Agency and the USIA, although streamlined, will be directly merged into the State Department's policymaking structure. If you have any doubt as to whether or not we should have a restructuring consolidation of these three agencies within the State Department, only look at this graph, at the current structure of our foreign affairs agency. You can see it is rather complicated, convoluted. There is duplication. It is much more complex, in terms of trying to make decisions; certainly less efficient. In today's world, whether it is the public or private sector, everyone is looking toward more efficiency for less money and making it more effective.

What we are trying to do through this reoganization is streamlining the process so the Secretary of State is better equipped to make those decisions more efficiently. It is not to say that arms control is not important, or public diplomacy is not important, or development assistance is not important. What it is saying is, it is necessary to efficiently incorporate it into the structure that gets the Secretary's attention.

As many have said in the past, and before the committee, you do not have to have a separate independent agency to make it a priority. I think that is important.

As you can see here, something has to be done. Just looking at this chart, it is clear that we have to revise and consolidate and make it more efficient in today's post-cold-war world.

I want to compare it to what we are proposing in this legislation. And you can see that we have far fewer boxes, far fewer areas. We are making it far more efficient to make those decisions.

I think that these charts certainly illustrate what we are attempting to accomplish through this legislation. It is an idea whose time has come. Even Secretary Christopher indicated in a speech before State Department employees back in March when they were doing the strategic management initiative that this was the 90th report since 1946 aimed at a restructuring and improving the State Department. And I am quoting now. He said, ''It is there gathering dust in the file cabinets.''

So a lot of these ideas have been around. But I think that what has happened in the post-cold-war period has given us the impetus to begin the approach to consolidate. And that is why I think it is also essential to have bipartisan input. That is why I regret today that has not occurred.

As the Agency for International Development, this bill will more closely tie our foreign assistance programs to policy goals intended to directly advance our national interests. This will be accomplished by integrating regional foreign aid decisions into the State Department's regional policy bureaus.

Former Under Secretary Bill Schneider—who was responsible for coordinating the entire international affairs budget for the Reagan administration—testified before my subcommittee. He noted that AID's structure, autonomy, and management precludes a sharp focus on using our aid resources to support foreign policy functions. By its very nature, he argued, AID programs have little behavioral impact on the recipient in terms of advancing U.S. foreign policy interests.

Former Secretary of State Larry Eagleburger confirmed this argument, by arguing for consolidating AID into State in order that bilateral foreign assistance be more closely related to specific, identifiable U.S. foreign policy interests.

Today's AID will be transformed into a leaner State Department mechanism for delivering foreign assistance. Today, vast amounts of our humanitarian and developmental aid is consumed by AID's huge administrative cost structure and field apparatus. For instance, there are 690 AID employees stationed at our Embassy in Cairo alone.

Out of a $2.3 billion developmental aid account, AID spends $600 million on its formal operating expenses account. This is 25 cents for every developmental dollar.

But in reality, AID's administrative costs are much higher because AID's formal operating expenses only count 5,000 out of its 9,000 employees worldwide. The remaining 4,000 are AID contract employees who are paid out of program funds, not operating expenses.

In looking at the Arms Control Development Agency, we certainly should take very seriously the concerns that have been expressed by arms control advocates in the administration.

We should also, however, consider the observations of former ACDA Director Fred Ikle who testified before my subcommittee that moving forward with a proposal as innovative and necessary as this is opposed because it: ''hurts the pride and prestige of the affected officials, jeopardizes job security and mobilizes throngs of contractors, captive professional organizations, and other beneficiaries.''

Director Ikle also noted that people who want to preserve an institution long after they have served their purpose believe they do so for the noblest of reasons, but at the core of their argument is inevitably: ''the tendency of bureaucracies to become more vigorous and grow in size as their initial purpose is overtaken by events.''

Director Ikle noted that ACDA was formed 34 years ago out of the need to maintain a tightly focused agency dedicated to continuity and competence in negotiations with a single adversary, the Soviet Union. Now, he noted, there is no more need for an independent agency working only on arms control issues than there would be for a separate U.S. agency for counterterrorism, global communications, or international crime.

I guess I could argue that there should be separate agencies even for those categories.

Former NSC Adviser Brent Scowcroft noted at the same hearing, that this changed focus of arms control argues against an independent ACDA. He observed that proliferation of weapons of mass destruction is the single most important arms control issue today. The full range of policy tools needed to addressing proliferation issues simply cannot be accomplished out of an isolated, insular ACDA. This, he argued can only be pursued through the broader institutions of State and DOD.

USIA

The most logical fit of all is the consolidation of the U.S. Information Agency into the State Department. At our overseas posts, State Department and USIA operations work together in an almost seamless fashion.

The top USIA officer at post is the public affairs officer, who operates as the Ambassador's close media adviser and the Embassy's press officer. The USIA operation at post conducts outreach into the grassroots organizations and maintains contacts with all those who help shape public opinion in the country.

The purpose of this consolidation would be to bring this same level of coordination to Washington. A better understanding of and appreciation for the impact of international public opinion can only help us to formulate better overall foreign policy.

Former NSC Adviser Scowcroft and former Secretary Eagleburger made this same observation, when they noted that public diplomacy is a function with continuing and growing needs. They noted that in the world today, individuals, groups, and publics have an increasing affect on how the United States is viewed and how our foreign policy is received. We need to incorporate this capacity, they said, into our core foreign policy institution.

The logic of combining these two agencies is even recognized by the inspector general offices of the State Department and USIA. Over the past few years, they have adopted the practice of jointly conducting their periodic inspections of diplomatic posts. They do this together, because the State Department and USIA functions at post are so closely integrated.

This legislation sets up a 2-year transition period. The three agencies would be merged into the State Department by March 1, 1997. During this transition period, the bill sets up a mechanism for the President to transmit to Congress his own consolidation plan. The President would be guaranteed quick action by Congress under expedited procedures.

So the President could in response to this plan offer his own very specific plan that would require a resolution of approval. But the fact is that this legislation gives the President the opportunity, as well as the flexibility, to submit his own plan, or modifications to this plan, and it would require a resolution of approval by Congress.

There are other issues in this legislation that I will not get into here today. Some of the issues that I have included, and others have included, are very essential to the overall bill.

I know there is a great deal of anxiety about this legislation among the dedicated and hard-working employees of our foreign affairs agencies. And I understand that concern. I have worked with them over the years, and they have done an admirable, commendable job in implementing their responsibilities. But I think we are dealing in a different world today. We have to come to recognize that we have to do things somewhat differently.

That is why I certainly would prefer the administration working in conjunction with the chairman and myself and other members of committee to develop a plan that has a bipartisan consensus because the scope of this legislation calls for a more proactive role on the part of this administration. In fact, they have an obligation as well as a responsibility to do so. But to maintain silence on this issue is unacceptable, let alone understandable, given the magnitude of this consolidation and given the fact that it is affecting our foreign policymaking apparatus.

I hope that during this process we will hear from them, not simply to stonewall, as the chairman said, this process, but to help expedite this process of consolidation and integration of our foreign affairs agencies.

This approach should be bipartisan. There is nothing Republican or Democratic about this approach. This should be an approach that everybody can endorse, and, in fact, Secretary Christopher had even recommended this approach last fall only to be rejected by others within the administration.

As the chairman has indicated, five former Secretaries of State have supported this initiative. I think that is significant. The time has come for this kind of consolidation, and it is not gutting it because the issue of restructuring, as even Secretary Christopher indicated, has been done over the years, but the changes as a result of the end of the cold war has compelled us to look at these issues very realistically. We are not saying that this is a perfect plan. But it is very difficult to work with the other side when they are unwilling to work to make the revisions that they think are necessary to do this legislation.

During one of our subcommittee hearings on this plan, former Bush administration official Bob Kimmit, who was Under Secretary of State, said that when he was asked to testify, he gave his proposal very careful and serious review. The standard he used in deciding his position on this was whether he would be as enthusiastic in support if it had been proposed by the Clinton administration rather than by the Republican Congress, or if it had been advanced by a Democratic Congress during a second Bush administration.

Mr. Kimmit, together with a great number of our witnesses, made a common observation: To place a priority on the issue does not require a separate agency. No one questions the importance of arms control, public diplomacy or international development. Imagine if the principle of maintaining a separate agency for every important policy issue were applied throughout our Federal Government. There would be no end to organizational proliferation.

I think we get some idea just based on the current chart with respect to the State Department and its related agencies and the bureaucratic confusion that has been created as a result of the multitude of agencies that exist within these agencies.

This is not a Republican plan against a Democratic administration. This is an American plan that would benefit all future American administrations, both Republican and Democratic.

So I urge my colleagues to consider it on its own merits, devoid of partisan considerations. If considered on this basis, I believe we will receive overwhelming support on both sides of the aisle.

The bill before us is breathtaking, not just in its scope but in the quality of the recommendations and gives credit to our chairman, to our committee, and to all the Senators who have been involved in its creation.

In the final analysis, whether you are Republican or Democrat, what we are doing here today would be arguing for fundamental, positive change in our Government. This is a chance to cast a vote for exactly the kind of change that the American people want. This is a vote for cost savings and efficiencies we will need to advance and if we are certainly going to meet our deficit reduction goals required by the budget resolution that passed the Congress. But also more importantly it is to advance our foreign policy goals. I think in the final analysis this is exactly what this legislation would do.

On a final note, I should say that not only do I commend the employees within these various agencies but also

the directors and the administrators because without a doubt they have been hard-working, dedicated individuals who are committed to their goals. And although we may disagree on this consolidation, I want to make sure I give credit to those individuals who currently head these agencies because clearly they have worked very hard to try to do what they can with the kind of mandates received within current law and with the structures that they have had to live with. And I understand their commitment to maintaining the current structure. But I think they also hopefully understand we have to meet the goals that are required of us through not only the budget resolution but also because the climate and the circumstances have now changed.

So, Mr. President, I hope that as we go through this process in the final analysis we will be able to get a reorganization of State Department agencies necessary to meet the future commitments of this country.

I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from North Carolina.

Mr. HELMS. Mr. President, the Senate has just heard a remarkable discourse by the able Senator from Maine, whom I have long admired. She is certainly an addition to the wisdom of the Senate on many matters, especially foreign affairs. I wish to thank her for her diligent work on this bill, and I thank her for the great statement she just delivered.

Mr. President, another distinguished member of the Foreign Relations Committee who has done so well in assisting in the drafting of this bill is Senator CRAIG THOMAS of Wyoming. He is chairman of the East Asian Subcommittee of the Foreign Relations Committee, and I hope the Chair will recognize him.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I thank the Chair.

I thank the chairman of the committee for the opportunity to comment on this bill. I rise to place my full support behind Chairman HELMS and the efforts to overhaul and streamline the Department of State.

These bills are very complicated, of course, and throughout the duration of this debate and discussion it will be hard to track. Let me read just a couple of paragraphs from a letter the chairman sent to me that I think is fairly succinct.

Six weeks ago, with the support of every Republican Member, the Foreign Relations Committee passed S. 908, the Foreign Relations Revitalization Act. This legislation is the first authorization measure to reach the Senate floor within budget targets, fulfilling the mandate the American people gave us last November. This bill is a promise kept: Money is saved, bureaucracy eliminated, and the ability of our Nation to conduct foreign policy enhanced.

This reorganization of the U.S. foreign policy apparatus saves $3.66 billion over four years. A similar measure has already passed the House. Three agencies, the Arms Control and Disarmament Agency, the Agency for International Development, and the United States Information Agency are abolished and their functions are rolled into the Department of State.

The core functions of these agencies are not lost. Despite propagandizing to the contrary, independent broadcasting is protected; arms control and non-proliferation will be strengthened; and the assistance programs which support national interests will be liberated from a convoluted AID bureaucracy. This consolidation plan has been endorsed by five former U.S. Secretaries of State. . . . And as Henry Kissinger recently said, if given a truth serum, Secretary Christopher would endorse it too.

That summarizes, it seems to me, what it is we are seeking to do here. The chairman has spoken at length, and the Senator from Maine in her excellent commentary spoke about the need for important legislation, so I will not cover that same territory.

The changes proposed in S. 908 are long overdue. What I will address, however, is the way in which AID and this administration has handled itself in the face of the chairman's efforts. From the beginning, instead of cooperating in a constructive effort to work with the Congress in cutting waste, overlapping responsibilities, and outmoded and outdated programs, the administration has chosen to ignore and stonewall. The word has gone out to the bureaucrats and to the Democrat Members of Congress that this is the party line. A memo that was quoted earlier indicated that the strategy is to ''delay, postpone, obfuscate, derail. If we derail, we can kill the merger,'' it says. ''Official word is we don't care if there is a State authorization bill this year.''

As a result, it has been strongly rumored that we will face a flurry of amendments to this bill as we have seen in other bills in a veiled attempt to filibuster. So much for the administration's dedication to reinventing Government.

Requests for meetings have gone unanswered, as have requests for information. Instead of working with Congress, AID has gone out of its way to preserve itself by spreading confusion and panic among organizations with which it does business, by distorting the purpose and the probable impact of S. 908. Many of these practices I believe come close to pressing the breaking of the law. For instance, I am aware of AID staffers who have contacted several private groups and urged them to lobby for the defeat of S. 908. My office has received almost weekly information packets from AID including xeroxed copies of articles and editorials in opposition to the merger—omitting, of course, those that are in favor.

I find it highly improper that AID is spending taxpayer dollars in supplies and employee time lobbying us for their own continuation.

Mr. President, S. 908 is supported by five former Secretaries of State and, until overruled by the White House, Secretary Christopher. It is an idea whose time has come. Its time is here. At a time when we do not have enough money to take care of our own citizens' fundamental needs and are consequently forced to rethink the funding levels in our domestic budget, to argue that we cannot make similar difficult cuts in the structure of foreign policy is both disingenuous and unrealistic.

So again, Mr. President, I rise in support of this proposal. I think it is one of the things that the voters said to us in 1994. They said we need to make some changes in the way the Federal Government operates; that the Government is too big, it spends too much, and that we should find better ways to deliver services; that we should find more efficient ways to use tax dollars.

Mr. President, this is one of those ways, and I urge support for this legislation.

I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I rise in strong, enthusiastic support of S. 908, the Foreign Relations Revitalization Act. As a member of the Foreign Relations Committee, I am proud to have voted for this groudbreaking legislation to fundamentally reform America's foreign affairs agencies.

For much of this year, Congress has responded to the voters' demand to shrink the Federal Government and reduce its intrusion in their lives. But it is not just our domestic agencies that are in need of an overhaul.

S. 908 fulfills two important goals: First, it will help to reshape the State Department so that we can better meet the new challenges of a rapidly changing world. And second, it will apply our limited financial resources in a more realistic and effective way.

Unfortunately, the President's proposed budget for 1996 would actually increase international affairs spending by $950 million, and that is hardly evidence of a strong commitment to balancing the budget.

Moreover, some administration officials—as well as some Members of this body—have thrown around reckless accusations about this bill's efforts to reorganize the State Department. They charge that it somehow represents a move to withdraw the United States from international affairs.

But make no mistake. It is our desire, and America's responsibility, to remain actively and productively engaged around the world that make this legislation so necessary.

While the administration has been busy crying ''isolationism″ and doing everything in its power to block consideration of S. 908, five former Secretaries of State have come forward to ardently endorse it.

Former Secretary of State Lawrence Eagleburger and former National Security Adviser Brent Scowcroft testified on the clear connection between the cold war and the expansion of the Federal bureaucracy:

[T]his proliferation of agencies occurred in response to security-related concerns which have since diminished or disappeared. Therefore, we are now encumbered by a plethora of programs which no longer are closely tied to, or clearly serve, U.S. national interests. . . . [The] origins of the agencies being considered for abolition are all rooted in a world which no longer exists.

And former Secretary of State Henry Kissinger—not known for ''isolationist'' tendencies—wrote,

What is needed is steadiness, coherence and precision in the articulation and implementation of policies. . . .

He went on to say:

Your proposal to abolish the Agency for International Development, the Arms Control and Disarmament Agency, and the U.S. Information Agency is a bold step in this direction by centralizing authority and responsibility for the conduct of foreign affairs where it properly belongs—in the President's senior foreign affairs advisor, the Secretary of State.

Even current Secretary of State Warren Christopher reportedly made a similar proposal to Vice President Gore's ''Reinventing Government'' team. But, unfortunately, the Vice President chose to reject the Secretary's plan and, instead, capitulated to the cold war reactionaries in the administration who are intent on preserving their pet agencies at all costs.

Therefore, Mr. President, Congress must act responsibly with the taxpayers' money and do for the State Department what it could not do for itself. Rather than ''micromanage'' State Department reform, S. 908 preserves substantial flexibility for the President and the Secretary of State to determine its new organizational structure.

Given the complete lack of cooperation Congress has received on this issue from the administration, allowing such flexibility may be considered a ''leap of faith.'' However, I firmly believe Congress should guide and agencies should be expected to perform.

Above all, Mr. President, the heart of S. 908 must be kept intact. The consolidation of AID, ACDA and USIA under the State Department will end the current duplication of many functions and personnel.

As a result, S. 908 will save the taxpayers $4.8 billion over 5 years according to the Congressional Budget Office. The international affairs budget must take its fair share of reductions to keep us on track to balancing the budget in 2002.

But I want to remind my colleagues that without the efficient and prudent savings in the State Department reorganization plan, cuts in foreign aid programs will have to be that much deeper.

Finally, I hope that this bill—combined with S. 961, the Foreign Aid Reduction Act—will encourage a comprehensive review of U.S. foreign aid.

We all know that foreign aid is held in low esteem by many Americans. Given the track record of AID and the minimal performance of some foreign aid programs, this is hardly surprising. We must not abdicate our oversight responsibilities. By enacting the legislation before us today, we can begin rehabilitating foreign aid in the eyes of the American people.

Mr. President, we must ask ourselves: Do we really need a bureaucracy of 9,300 employees and contractors to manage foreign aid programs? There are 405 employees at AID's Egypt mission in Cairo alone. And it costs the taxpayers $150,000 to $300,000 a year—not counting salary—to station just one AID employee overseas.

We must focus our efforts on making sure that foreign aid actually reaches people in need rather than getting swallowed up by oversized U.S. and foreign bureaucracies.

I support an approach that conducts more of our foreign aid programs through non-governmental organizations and private voluntary organizations. These are groups that generally have much lower overhead costs than AID.

As we reevaluate foreign aid and demand that it become more accountable, more efficient and more effective, we must also examine the actions of those countries which receive taxpayer dollars.

Foreign aid cannot provide real, sustainable development unless recipient countries are dedicated to economic freedom and free-market reforms. To renew Americans' faith in foreign aid, we must show them proven results.

We cannot afford to run an international welfare program which subsidizes countries that show no progress toward economic self-sufficiency. Just like our broken welfare system at home, such a program will only encourage dependency and continue to burden the taxpayers for years to come.

In closing, Mr. President, S. 908 offers all Senators this opportunity: We have all talked a good game about eliminating agencies that are outmoded or inefficient. Now the question is can we actually do it.

I urge all Members to vote for S. 908, not just for the sake of eliminating three agencies, but because doing so will help ensure that America has the foreign policy tools necessary to take us into the 21st century.

Thank you, Mr. President.

I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I want to pay my respects to the distinguished Senator from Minnesota. He is one of the newer members on the Foreign Relations Committee. He is always there, and he has always done his homework. I congratulate him on his statement, and I thank him for his participation in the work of the committee.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I intend to speak on the foreign relations proposal at a later time, but I ask unanimous consent to speak as in morning business for 10 minutes in regard to the welfare situation.

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

WELFARE REFORM

Mr. ASHCROFT. Mr. President, I appreciate this opportunity to speak this afternoon. The President of the United States is speaking about the welfare situation. He has promised to end welfare as we know it, and it is important, as we approach the debate on welfare in the U.S. Senate, that we thoroughly understand the condition in which we find ourselves as a result of 30 years during which Washington has dictated a radical theory of welfare on America's poor.

The theory is that bureaucrats in Washington are best equipped to solve the welfare problem. Since the mid-sixties, we have spent nearly $5.4 trillion on welfare, and the theory that Washington knows best is as dead and as hopeless as many of the people it was intended to help.

Most of America realizes this. Many Members of the Senate realize this. But, unfortunately, it does not appear that the President realizes this. Today in Vermont, veiled in glorious rhetoric, President Clinton announced his intention, again, to end welfare as we know it. But he revealed his intention to expand welfare beyond what we have ever known.

Like so much with this administration's public policy, what sounds great frequently is different from what is reality. The old adage, ''signal right and turn left,'' has found new meaning in this administration. When you are riding down the highway and someone signals right and then turns left, it can be a very difficult and dangerous situation, and I am afraid that is what has happened here.

The reality of the Clinton plan is that it will result in more misery, more hopelessness, and more despair in America's poor. It will provide a boost to Washington's welfare establishment. The bureaucracy will burgeon. We need another way of helping the poor. It is a way which recognizes that the States have an opportunity, and should have an opportunity, to tailor welfare solutions to meet the needs of their citizens.

Last week, I spoke about Ariel Hill, a 5-month-old child, a victim of the welfare system. I am sure she would have said that we needed another approach to welfare. Today, I want to talk about another tragic story, another personal example of welfare's failure.

In the picture next to me is Ernesto Ventura, a 4-year-old child who was brutally abused and neglected by his mother. Though the crime was committed only a year ago, its roots began about 30 years ago at the beginning of