has slimmed total staffing levels by 16 percent—from 10,800 people to 9,050. It has cut regulations by 55 percent, cut the time it takes to award competitive contracts from a year to 150 days, cut project-design time by 75 percent and overhauled its program operations, procurement, accounting and budget procedures.

VIRTUE IS ITS OWN REWARD

And what thanks does it get for doing more with less?

A whopping budget cut, along with potentially devastating restrictions on some programs.

The saga of the 1996 AID budget is one of the grimmer tales of the budget stand-off. The agency never expected an easy ride, given the Republican-controlled Congress' zeal for slashing the budget and the difficulty of defending aid to other countries when we have plenty of poor, homeless and hungry people right here at home.

But the fact is that foreign aid is crucial to advancing U.S. interests around the globe and to making the world a safer place. From nurturing economic activity that raises living standards and slows the rate of illegal immigration, to helping emerging democracies set up a system of law, to providing medical care and family-planning assistance to countries with burgeoning birth rates and high rates of infant and maternal mortality—the agency's programs plant seeds that, eventually, can help forestall political unrest or hostilities that spill over into wider wars.

TINY SHARE

Foreign aid is a tiny share of the budget—less than 3 percent (1.2%), and AID gets only a sixth of that. But a recent poll showed an alarming number of Americans assumed that the government spent more on foreign aid than on Medicare.

Under the compromise finally reached by the Congress and the White House, the agency's budget will be cut 11 percent. Since some aid programs, such as assistance to Egypt and Israel, must hold relatively steady, other programs took an especially hard hit.

None, however, got the shabby treatment reserved for family planning assistance. Those programs, a favorite target of a small House group of zealous opponents of abortion and family-planning, were cut 35 percent, a loss of more than $200 million from 1995 funding levels. Even worse, these opponents succeeded in requiring that no funds for 1996 be spent before July 1—and then that the allocation be dribbled out in 15 monthly increments, most of which would come, absurdly, after the end of the year for which the money is appropriated.

Since the budget impasse had blocked expenditures after October 1, that requirement creates a nine-month gap—an ironic length—in U.S. aid for family-planning services for some of the poorest families in the world. Clearly, the restrictions are aimed at interrupting these programs, many of which are administered by private, non-profit organizations in countries receiving the aid.

DEFEAT FOR FAMILIES

The victory for ideology is a clear defeat for tens of thousands of families who, as a consequence, will experience higher rates of unplanned pregnancies and more deaths among mothers and infants. Pregnancy is a high-risk undertaking in countries where nutrition is poor and health care is unaccessible or primitive.

It's also a defeat for efficient government—and an illustration of how Congress can talk one game and play another. Despite its calls for effective government, Congress can't resist an ideological power play. What else explains a requirement that must have been dreamed up in red-tape heaven?

Instead of one, clean transaction, we'll now have 15 checks and 15 contracts for a program that is underfunded to begin with. Reinventing government? The bureaucrats are hearing the message. It's the ideologues who, it seems, couldn't care less.●

SECRETARY PERRY'S WEHRKUNDE ADDRESS

● Mr. COHEN. Mr. President, earlier this month, I again had the honor of leading the U.S. delegation to the annual Wehrkunde conference on security policy in Munich. This conference serves as a valuable opportunity for policymakers, security analysts, and defense industry leaders from both sides of the Atlantic to exchange views on pressing European security issues and to build the relationships that are the sinews of an alliance.

This year's conference was notable both because it was held as NATO forces were breaking new ground with the IFOR mission in Bosnia and for the participation of senior officials from Central Europe and Russia, including the Russian Deputy Defense Minister, which provided for productive, if sometimes heated, dialog on NATO enlargement.

The conference thus offered an appropriate setting for a speech by Secretary of Defense Perry in which he outlined a vision for the future of the Atlantic alliance and its relationship with Russia, based on the accomplishments of the past and the current cooperation in Bosnia. Secretary Perry is to be commended for laying out a thoughtful and challenging agenda for addressing the issues currently facing the Alliance. I also want to commend him for not only weaving the words of T.S. Eliot into his remarks, but for ferreting out the little known fact that Eliot was on the stage half a century ago when George Marshall gave the speech that became the Marshall plan.

Mr. President, I think all Senators would benefit from reading Secretary Perry's Wehrkunde address and ask that it be printed in the RECORD.

The address follows:

REMARKS BY SECRETARY OF DEFENSE WILLIAM J. PERRY

Behind my desk at the Pentagon hangs a portrait of the great statesman, George C. Marshall. Marshall, who was the third Secretary of Defense in the United States, is a role model of mine. He had a great vision for Europe—a Europe which from the Atlantic to the Urals was united in peace, freedom and democracy; and a strong trans-Atlantic partnership sustained by bipartisan political support in the United States.

Marshall not only had this vision, he also had a plan to make this vision a reality in post-war Europe. And in a famous speech at Harvard University in 1947, he outlined what came to be called the Marshall Plan.

A little known fact is that joining Marshall on the dais that day was the famous poet, T.S. Eliot, who 10 years earlier had written:

Footfalls echo in the memory
Down the passage we did not take
Towards the door we never opened.

These words by T.S. Eliot foreshadowed the fate of Marshall's plan in Eastern and Central Europe. Because on that day, 50 years ago, as the footfalls of World War II still echoed across a shattered continent, the Marshall Plan offered Europe a new passage toward reconstruction and renewal. Half of Europe took this passage, and opened the door to prosperity and freedom. Half of Europe was denied this passage when Joseph Stalin slammed the door on Marshall's offer. And for 50 years, the footfalls of what might have been echoed in our memories.

Today, as the Cold War becomes an echo in our memory, we have a second chance to make Marshall's vision a reality: To go down the passage we did not take 50 years ago, towards the door we never opened. Behind that door lies George Marshall's Europe. To open this door, we do not need a second Marshall Plan, but we do need to draw on Marshall's vision.

Marshall recognized that peace, democracy and prosperity were ultimately inseparable. And Marshall understood that if you identify what people desire most, and provide them with a path to reach it, then they will do the hard work necessary to achieve their goals.

In the late 1940s what Western European countries desired most was to rebuild their societies and economies. And the Marshall Plan provided a path for achieving this goal. By taking this passage, the nations of Western Europe built an economic powerhouse. And along the way, they built strong democracies and a strong security institution called NATO.

Today, countries in the other half of Europe are struggling to rebuild their societies and economies, and the one thing they all desire is greater security. NATO's challenge is to provide these Europeans a path for achieving their security goal. And along the way, we want them very much to develop strong democracies and strong economies.

This other half of Europe includes the nations of Central and Eastern Europe and the Newly Independent States. It includes Russia. And it includes the nations of the former Yugoslavia. Today, NATO is reaching out to all three areas and providing a path to Marshall's Europe.

The primary path NATO has provided is the Partnership for Peace. Just as the Marshall Plan worked because it was rooted firmly in the self-interest of both the United States and Europe, so too does the Partnership for Peace work because it is rooted firmly in the self-interest of both NATO and the Partner nations.

PFP is bringing the newly free nations of Europe and the former Soviet Union into the security architecture of Europe as a whole. Our nations are working and training together in military joint exercises. But make no mistake, the Partnership for Peace is more than just joint exercises. Just as the Marshall Plan had an impact well beyond the economies of Western Europe, PFP is echoing beyond the security realm in Central and Eastern Europe, and into the political and economic realms as well.

Just as the Marshall Plan used economic revival as the catalyst for political stabilization—and ultimately the development of the modern Europe—the PFP uses security cooperation as a catalyst for political and economic reform.

PFP members are working to uphold democracy, tolerate diversity, respect the rights of minorities and respect freedom of expression. They are working to build market economies. They are working hard to develop democratic control of their military forces, to be good neighbors and respect the sovereign rights outside their borders. And they are working hard to make their military forces compatible with NATO.

For those Partner countries that are embracing PFP as a passage to NATO membership, these actions are a key to opening that door. For many of these nations, aspiration to NATO membership has become the rock on which all major political parties base their platforms. It is providing the same overlapping consensus that NATO membership engenders in NATO countries, making compromise and reconciliation possible.

In Hungary, all six major political parties in the Parliament united to pass a resolution in support of IFOR, the Bosnia peace implementation force, by a vote of 300 to 1. In Poland, the new President—a former member of the former communist party—re-affirmed Poland's NATO aspirations. In Slovakia, Hungary and Rumania, governments are quietly resolving border disputes, and putting into place protection for ethnic minorities. For these countries, the Partnership for Peace is becoming a passage to democracy and market reform, as well as a passage to security cooperation with the West.

But even those countries that do not aspire to NATO membership are realizing many of the same political and social gains from active participation in the PFP. Moreover, PFP is providing them the tools and the opportunities to develop closer ties to NATO, and learn from NATO—even as they choose to remain outside the Alliance. And PFP is building bonds among the Partner nations—even outside the framework of cooperation with NATO.

That is why defense ministers from many Partner nations have said to me that even if, or when, they eventually join NATO, they want to sustain their active participation in PFP. In short, by creating the Partnership For Peace, NATO is doing more than just building the basis for enlargement. It, is in fact, creating a new zone of security and stability throughout Europe.

That is why I believe that the creation of the Partnership for Peace has been one of the most significant events of the post-Cold War era. By forging networks of people and institutions working together to preserve freedom, promote democracy and build free markets, the PFP today is a catalyst for transforming Central and Eastern Europe, much as Marshall Plan transformed Western Europe in the '40s and '50s. It is the passage this half of Europe did not take in 1947; it is the door that we never opened.

To lock in the gains of reform, NATO must ensure that the ties we are creating in PFP continue to deepen and that we actually proceed with the gradual and deliberate, but steady, process of outreach and enlargement to the East. NATO enlargement is inevitable. And if NATO enlargement is a carrot encouraging reforms, then we cannot keep that carrot continually out of reach. So it is critical that we implement the second phase of NATO enlargement agreed upon at the NAC Ministerial Meeting in December.

And even as some countries join NATO, it will be important to keep the door open for others down the road. We must make sure that PFP continues to provide a place in the security architecture of Europe so that we keep the door open to Marshall's Europe even for those nations that do not aspire to become NATO members.

For Marshall's vision to be truly fulfilled, one of the nations that must walk through this door is Russia. Russia has been a key player in Europe's security for over 300 years. It will remain a key player in the coming decades, for better or for worse. Our job is to make it for the better.

Unlike with the Marshall Plan 50 years ago, Russia today has chosen to participate in the Partnership for Peace. And in the spirit of Marshall, we welcome Russia's participation, and hope that over time it will take on a leading role in PFP commensurate with its importance as a great power.

But for Russia to join us as a full and active partner in completing Marshall's vision, NATO and Russia need to build on our common ground, even when we don't agree with each other's conclusions. It is fair to say that most members of Russia's political establishment do not welcome or even accept NATO's plans for enlargement. Anybody that doubted that yesterday, if you heard Mr. Kokoshin's speech, realized the extent of the opposition to NATO enlargement in Russia.

When I was in Russia last June, I had a number of conversations with Russian government leaders and Duma members about the future of European security. I offered them a series of postulates about that future. I told them if I were in Russia's shoes, I would want the future security picture in Europe to have the following characteristics:

First, I said, if I were a Russian leader, I would want the United States to be involved in the security of Europe. They agreed with that postulate.

Then, I said, if I were a Russian leader, I would want to see Germany an integrated part of the European security structure. And they agreed with that postulate.

And third, I said, if I were a Russian leader, I would want Russia to be in the security architecture of Europe, not isolated outside of it. They agreed with this postulate also.

Finally, I asked them how could a Russian leader best achieve these goals?

I concluded they could only be achieved through a healthy and vibrant NATO. That is NATO, far from being a threat to Russia, actually contributes to the security of Russia, as well as to the security of its own members.

When I reached that conclusion most of the Russians I talked to fell off the cliff. They agreed with each of my premises—but they did not agree with my conclusion. But in the absence of NATO and its partnership arrangements, I do not see any way of achieving those goals—our shared goals—of a safe and peaceful Europe.

I have to tell you that I did not persuade my Russian colleagues with my argument. But, I do believe that as Russia deepens its involvement with NATO, it will come to believe in the truth of my conclusion, as well as my premises. And I believe that Russia will want to have a cooperative relation with NATO and a leading role in the Partnership for Peace. And that Russia will come to understand that enlargement means enlarging a zone of security and stability that is very much in Russia's interest, not a threat to Russia.

But the way for this new understanding to occur is for NATO to continue to reach out to Russia not only from the top down but from the bottom up. Last year at Wehrkunde, I proposed that NATO and Russia begin a separate plan of activities, outside the Partnership for Peace. Since then, we have all discussed and even agreed upon this proposal in principle, but we have not yet put it on paper. We must do so. We cannot let disagreements over the ''theology'' of building NATO-Russia relations get in the way of ''here and now'' opportunities to work together where our interests clearly overlap. Instead of letting theology dictate our practice, we should let our practice shape our theology.

One example of where the United States is already doing this is with our program of bilateral training exercises with Russia. We have held four such exercises in the last year, each a great success, and each conducted in a spirit of trust and goodwill. This summer, the United States and Russia will move beyond the bilateral and jointly participate in a major regional Partnership For Peace exercise with forces from Ukraine, Russia, United States and other regional powers.

Our bilateral contact program with Russia is not confined to joint exercises or even to just the security field. Through the Gore-Chernomyrdin Commission, it extends to the fields of science and technology, space, defense conversion, business development, the environment, health care and agriculture.

Just this past week the Commission met in Washington, and Mr. Kokoshin and I both participated in the defense conversion program of this Commission. I urge all NATO nations to build on this model. These contacts provide important exchanges of information. They help break down years of distrust and suspicion. They weave the Russians into the kind of personal and professional networks that have long characterized relations among all of the Allies. These are the kind of activities that will build trust between Russia and NATO. And these are the kind of activities that will keep Russia on the passage toward integration with Europe, to pass through that open door.

Mr. Grachev and I attended the joint U.S. exercise in Kansas last October. And we met after the exercise with the American and the Russian soldiers conducting that exercise, and talked to them. He told the Russian soldiers what they were doing was very important, that they should extend their friendship and cooperation with the American soldiers, and that this was the basis for creating a peaceful world for their children. The American soldiers were as much interested in what he was saying as the Russians were, I can assure you.

Ironically, the place where a distinct NATO-Russia relationship is occurring in practice is in Bosnia. Today, as we speak, a Russian brigade is serving in the American Multinational Division of IFOR. It took an enormous amount of work to make this happen. Minister Grachev and I met four times over a two month period to iron out the details. Generals Joulwan and Nash work closely every day with their counterparts, General Shevtsov and Colonel Lentsov. NATO and Russia *do* have a special relationship today in Bosnia, and Russia is demonstrating its commitment to participating in the future security architecture of Europe.

The reason we are all working so hard to make this relationship successful is not just because of the additional troops Russia brings to Bosnia, but because Russia's participation in Bosnia casts a very long shadow that will have an impact on the security of Europe for years to come. When we deal with the most important security problem which Europe has faced since the Cold War was over, we want to have Russia inside the circle, working with us, not outside the circle, throwing rocks at us.

Indeed, the more you think about what NATO and Russia are doing together in Bosnia, the more amazing it becomes. I can only imagine what General Eisenhower, the first SACEUR, would think if he saw a General from Russia sitting with General Joulwan, today's SACEUR, at the SHAPE compound reviewing a secret NATO OPLAN. We need to build on this model, to institutionalize it, and expand it to cover the entire range of NATO and Russia's overlapping security interests. By so doing, NATO and Russia can move forward as full partners in completing Marshall's version.

Just as the NATO-Russia relationship is being forged in Bosnia, so too is the future of NATO itself. I was in Bosnia several weeks ago. I was struck by the dedication and professionalism of every unit from every country that is participating. I was also struck by the stark contrast between the devastation and suffering I saw in Sarajevo, and the

rebirth and renewal I have seen in the other capitals of Central and Eastern Europe.

Bosnia is what happens when newly independent nations focus on old hatreds instead of new challenges. Four years ago, some people in the former Yugoslavia chose not to join Marshall's Europe. And the death and bloodshed that resulted will long echo in our memory. But today the door to Marshall's Europe is open again for them—and holding that door open are NATO, Russia and the newly free peoples of Central and Eastern Europe.

The success or failure of IFOR is crucial to whether or not we will complete Marshall's vision. It is in Bosnia where we are sending the message that NATO is the bedrock on which the future security and stability of Europe will be built. It is in Bosnia where NATO is first reaping the benefits of joint peacekeeping training with our new Peace Partners. It is in Bosnia where future NATO members are showing themselves ready and able to shoulder the burdens of membership. And it is in Bosnia where we are showing that we can work as partners with Russian forces. Bosnia is not a peacekeeping exercise. It is the real thing.

Bosnia is also teaching us important lessons about the kind of NATO that Marshall's Europe will require. Ever since the end of the Cold War, NATO has struggled to develop a mechanism for executing the new missions using NATO assets with the voluntary participation of NATO members.

In the conference room, we have so far failed to come up with an agreement on a Combined Joint Task Force, CJTF. But in the field, we have cut through these theological arguments and put together IFOR, which is CJTF. As with the NATO-Russia relationship, we need to take the practical lessons learned in putting IFOR together and extrapolate back until we have a CJTF that works.

Bosnia also casts in sharp relief something we have suspected for some time: that it is time for NATO to adapt itself internally to deal with the new challenges of this new era. NATO was not well structured for the Bosnia mission. At a time when our political and geostrategic thinking has been completely reoriented, symbolized by our partnership in peacekeeping with former adversaries, and at a time when our individual military forces have streamlined and modernized for the battlefield of the future, NATO's command and decision-making structure is still geared for the challenges and the battlefields of the past. The time has come to streamline and modernize NATO, recognizing that our challenge is no longer simply to execute a known plan with already designated forces, as it was during the Cold War.

We must make NATO's command structure more responsive and more flexible, and streamline the planning and force preparation process, and simplify and speed-up the entire decision-making process. And we must complete the task of giving NATO's European members a stronger identity within the alliance. These kinds of internal changes will ready NATO for enlargement, and will allow us to better respond to the future challenges to European security and stability.

It is in this context that we welcome the French decision to participate more fully in NATO's military bodies. And we look forward to working with France as we transform the Alliance and realize Marshall's vision of a Europe united in peace, freedom and democracy.

In 1947, Marshall told America that it must ''face up to the responsibility which history has placed upon our country.'' Today, it is not only America, but also Russia; is not only NATO nations, but all of Europe—all of us must face up to the responsibility which history has placed upon us. This means reaching out to each other not only in the spirit of friendship, but also in the spirit of self-interest. This means working towards our goals not only from the top-down, but also the ground-up. And it means recognizing that when the outside world changes, we must look inside our institutions and see what changes are needed there.

If we do these things, then next year, when we commemorate the 50th Anniversary of the Marshall Plan, we will be able to say that we made Marshall's vision our own. That Partnership for Peace is a strong, permanent pillar of Europe's security architecture. That NATO and Russia have a relationship where trust, understanding and cooperation are givens, not goals. That all the nations of the former Yugoslavia are adding, not detracting, from Europe's security. And that we have taken the passage to a new Europe and opened the door to a new era of peace, freedom and democracy.

Thank you very much.●

PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators, immediately following morning business tomorrow, the Senate will begin 30 minutes of debate on the motion to invoke cloture on the D.C. appropriations conference report.

Senators should be aware that the cloture vote on the conference report will occur at 12:30 p.m. on Thursday.

RECESS UNTIL 11 A.M. TOMORROW

The PRESIDING OFFICER. Mr. President, if there be no further business to come before the Senate, I ask that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 1:35 p.m., recessed until Thursday, February 29, 1996, at 11 a.m.