

What happened overseas? The Japanese, the Germans, and others looked at these and said, "Hey, good idea." The ironic part is, their unions, having adopted that philosophy, are now stronger and much more dominant in their industries than ours are. So why would the unions in this country want to continue to do what created, in my mind, their failures? And that is, not to recognize that much more gets done by working with management with an eye toward improving productivity.

Mr. President, if you really want to understand better what is going on, Hedrick Smith, who I am sure many of my colleagues know, is a Pulitzer Prize winner and author of "The Power Game" and "The Russians," wrote a tremendous book. It is "Rethinking America: A New Game Plan for American Innovators, School, Business People and Work."

It really outlines the serious problems we have in this Nation. It outlines those problems which are giving us trouble now. On education, Hedrick, as he traveled all over the world going to education centers, going to schools and examining what is going on in Japan and what is going on in Europe and what is going on in this country, finds that we have been placed way back in our ability to compete in our educational system.

I will not dwell on it today. I dwelled on it before. That is a very critical part. What they learned is, you have to start cooperation of people in the schools. In Japan, for instance, they learn right from day one that everyone works together. In the grade schools, everybody works to make sure everybody reads, right on through.

Then they also realized—this is true in Europe also—that the time for business to get involved, the time for business to get involved in education, is not after a kid graduates from high school, but, rather, when they are in high school or middle school. So they designed programs for skill training where businesses come in and they are held just to dramatize how the different systems are.

In this country, our businesses spend \$200 billion a year—\$200 billion a year—in the training and retraining of the kids that graduate from high school in our work force. The Europeans—and that is just Europeans—spend the same amount of money, \$200 billion. You know where they spend it? In high school and middle school, so when the kids graduate from high school they are already a trained work force.

Our schools have failed to recognize the importance of that. We have to change that. We are beginning to change that. I was in Mississippi this past weekend, and the area has had a very difficult time with their education. But they have learned from it. They are now revitalizing their schools and their whole vocational-educational programs to model them after what is going on in Europe and Japan. The rest of the country has to do the same thing.

Hedrick Smith spent a lot of time putting this together. He went, articulately, through and documents exactly what happens. But for relevance today, he goes through what happened in the businesses in Europe and the businesses in Asia after the 1950's when our academia and some business leaders recognized that the wave of the future, due to all the technology changes and all, was to make sure we had a qualified work force that was available and ready to work but, most important, that when they were working, with all the kinds of technology changes and the complications of the industrial structures now, that the workers are the best ones to know when the quality is going down or what to do to improve the quality of your goods and services. So they worked with them. And, lo and behold, we had to learn that.

There are wonderful stories about how Motorola got involved in understanding this and how they went through and realized that if they did not improve the skills of their workers and did not work together and get them to help them out, they could not compete in Japan. So they changed their whole operation, and they were able to keep jobs here instead of losing them.

Senator KENNEDY talked about—maybe it was the minority leader—about the huge expansion of the profits in our corporations, but if you examine those profits, you will find that most of those profits are coming from overseas ventures. We should be keeping those ventures here. But we cannot do that if we do not improve our education but also, as importantly, if we do not have the TEAM Act to allow the workers to work with the employers, to improve productivity, to understand what is going on on the assembly line, to correct the problems which are creating goods that are not saleable before they become that. That is the lesson that we have to learn in this country.

It is productivity that is the issue here. Is this Nation going to be as productive as it can and must be in order to endure as a leader in economics in this next century? We are about there now. We established sometime ago—in 1983, we took a look at our educational system and said, "Hey, yeah, you're right. We have to improve it. The present system isn't going to work." We have not entirely touched on improving it. So we have to do that.

Also, essentially, at that time, especially with auto workers, there is another example, and I would hate to see it kind of reverting back. The UAW recognized that they had to change their ways when they saw the flood of cars coming in, much higher quality from Japan and Europe, and demolishing their markets. So they finally said, "Oh, boy, we've got to change our ways." So they sat down, and, working with management, they improved their productivity, improved their quality and got together. And we were able to change things to meet the markets.

We have to be ready to do that or we are going to be driven out. The future of this Nation depends upon our ability to compete in the world markets. There is fantastic opportunity out there, but we cannot be dragged down by old concepts from the 1930's on what worker-management relationships should be. We have to look to the future. The TEAM Act is a leading tool to do that. It will clarify the law. It will legitimize about 30,000 teams that are out there, which are in jeopardy right now if we do not change the law.

So I urge all of my colleagues to please support the TEAM Act. As I said earlier, I support all of these issues that we are facing. I have no bias one way or the other. I am looking objectively at these things and think we should pick and choose those. And, finally, I would thank my colleagues for their time and would hope everyone would get down to the real issues here and not try to get tied up with the emotionalism and rhetoric.

Mr. President, I yield floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent to speak as in morning business.

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

Mr. FEINGOLD. Thank you, Mr. President.

#### CAMPAIGN FINANCE REFORM

Mr. FEINGOLD. First, with regard to the matter that just came up on the floor a few minutes ago, I want to clarify an exchange that occurred with regard to the issue of campaign finance reform. The Senator from Arizona came to the floor and spoke and pointed out that he had heard the minority leader asked unanimous consent that the campaign finance reform issue be added to a unanimous-consent proposal that the majority leader had pro-pounded. The Senator from Minnesota, Senator WELLSTONE, indicated that he believed a different attempt had been made and that in fact the minority leader had simply suggested that this was a matter that might come up.

The Senator from Minnesota asked that I clarify this issue and that it is, in fact, the case that the minority leader, Mr. DASCHLE, did specifically ask unanimous consent that campaign finance reform be added to the unanimous-consent agreement. So, in fairness, the Senator from Arizona did accurately portray what was requested.

Let me just say this, however. It is very important, as the Senator from Arizona indicated, as I know the Senator from Minnesota believes, that this issue remain not a part of partisan bickering. Obviously, there are many reasons why some partisanship is being demonstrated on the floor at this time. That is entirely inappropriate on some of the issues that are being discussed. But I agree with the Senator from Arizona that when it comes to campaign

finance reform, in this session, with this Congress and this President, that it has to be a bipartisan effort.

It is my view that when Mr. DASCHLE, the minority leader, made this unanimous-consent request, that he was not seeking to make this a partisan issue. Senator DASCHLE has indicated that he believes that the so-called McCain-Feingold bill ought to be the vehicle for achieving campaign finance reform. He has indicated that he disagrees with some aspects of it. But I believe that the Senator from South Dakota is a friend to the issue of campaign finance reform.

Nonetheless, I think we will do better on the issue of campaign finance reform if it is offered on the basis of a bipartisan agreement, either by Senators working together on the bill, as Senator McCAIN and Senator WELLSTONE and I are doing, or preferably if the two leaders, the Senator from Kansas and the Senator from South Dakota, were to get together and make sure that in the very near future this body turn specifically to the issue of campaign finance reform as the order of the day. That is what all of us who cosponsor this bill prefer, although we stand ready to attach this bill as an amendment to other legislation if we are not afforded that opportunity.

So let me just reiterate, the campaign finance reform effort is the first bipartisan effort of its kind in 10 years in this body. It is a real effort. It is an effort that has enormous support, and we will not allow any partisan maneuvers on either side to prevent us from our opportunity to make this change that the American people want very, very much.

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#### INTERNATIONAL TRADE AND BRIBERY

Mr. FEINGOLD. Mr. President, on another matter, international trade is a high priority in almost every country today. We are negotiating all sorts of agreements to bring down barriers and protect our workers and promote economic development worldwide.

One issue, Mr. President, that I have tried to identify as a barrier for competition for American businesses is the issue of bribery. American businesses live in accordance with the Foreign Corrupt Practices Act. This was a bill offered by my predecessor from Wisconsin, Senator William Proxmire. Most businesspeople praise it as a way of maintaining honesty, and thus stability, in their business relationships. But, unfortunately, other countries—and one example is Germany—actually give their businesses the opportunity to write off a bribe in a foreign country as a tax deduction at the end of the year. So it is illegal for one German to bribe another German, but if they were to offer that bribe to somebody in another country, they can use it as a tax deduction. This produces some pretty unhappy faces when American businesspeople find this out.

Some say that bribes are the cost of doing business overseas, particularly in some developing countries. I believe, however, it is a barrier to doing business in the long run, particularly overseas, since it can only retard economic growth in some of the developing countries.

As a result, Mr. President, I have introduced legislation to try to get at this problem. In the State Department authorization bill for this year, I offered an amendment requiring an interagency study on bribery and corruption and the impact it causes on American businesses. I was disappointed that the majority dropped it in conference committee, but I am pleased that the Commerce Department is going ahead and pursuing a study of its own on this study anyway. I appreciate that.

I have also raised the issue of international bribery consistently in the Senate Foreign Affairs Committee, not only as we examine how to promote U.S. products, but in my role as the ranking member of the Subcommittee on African Affairs, to try to raise the issue of bribery with the African heads of States and other officials when we have confirmation hearings for ambassadors headed to the region. I believe that the ambassadors should be intimately involved in this issue as we seek to promote American products overseas.

I also want to praise Ambassador Kantor's very direct and public efforts on this issue and to say that I think his recent efforts have been critical in making headway on a universal acceptance of the principles that underlie the American Foreign Corrupt Practices Act. I am particularly encouraged that the administration seems to want the WTO to consider sanctions against bribers when Government contracts are under consideration.

Mr. President, it is important that even though we have this tough law and our businesses have to abide by it, we are not alone in this campaign. There have been many significant accomplishments. The Organization of Economic Cooperation and Development, OECD, took a landmark step 2 years ago in recognizing that bribery is a destabilizing factor in international trade, and they recommended that the member states cooperate on revisions of their domestic laws about bribery.

Several weeks ago, OECD tried to eliminate tax writeoffs on the laws of the member States of the kind that exist in Germany. Latin America has also taken this issue on. In March of this year, the Inter-America Convention Against Corruption, known as the Caracas Convention, identifies corruption as a main obstacle to democratic development in public trust in government institutions, and it also calls and provides for the prohibition on transnational bribery.

Mr. President, perhaps some might see this document from the Inter-America Convention as a utopian document that cannot be enforced, but

what it does do is begin the process, in Latin America, as has been done in the rest of the world, to commit the parties—in theory, at least—to the notion that bribery is a destructive force in democratic development and international business.

Given the developments with the OECD, the United States and Latin America, one would have thought it was a trend for the future, but we are really making progress. Unfortunately, however, at the end of April, the seven-member Association of Southeast Asian Nations spoke out for the first time on the issue of bribery and unfortunately opposed any attempt by the United States to stamp out corruption, saying they would not talk about it in the context of the World Trade Organization.

Deputy United States Trade Representative Jeff Lang tried to raise the issue and was criticized by Malaysia and Indonesia officials for plotting against the developing nations. This reaction to the seven countries is a very counterproductive reaction. We focus on bribery to engage more in business, not to discriminate. I hope that Malaysia and Indonesia and others think of this as an area of cooperation, of mutual interest, rather than an area for polarizing, as has been done in this case.

Mr. President, to conclude, if international markets are indeed to connect nations around the globe, somehow we have to be able to conduct business in a transparent and responsible manner. Bribery has to be discouraged, not rewarded, by all governments.

I hope that the ASEAN countries will reconsider this issue and join governments from every continent in seeking to end the corruption that does exist in international markets.

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

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

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#### WHITE HOUSE TRAVEL OFFICE LEGISLATION

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3960

Mr. FAIRCLOTH. Mr. President, I rise today in support of the teamwork for employees and management. If ever there were a law that makes no sense, it is to forbid teamwork between management and employees.

This is a bill to encourage worker-management cooperation. It is sorely needed in this country in industry today. Senator DOLE has made this part of the repeal of the gas tax and a rise in the minimum wage. The TEAM Act will permit employees in nonunion