Indeed, some have even suggested that the war in Iraq is a diversion from the real war on terror. But, of course, that is flying in the face of the facts: the long litany of terrorist attacks in many different parts of the world, the presence of Al Qaeda forces and allies in Iraq, and, of course, what Prime Minister Allawi has said as well.

Indeed, during this political season when international affairs and the war on terror is a prime topic in political debates and discussions, there appears to be an attempt to decouple Iraq from the global war on terrorism, to suggest that it is a distraction. But I hope I have convinced those within the sound of my voice that cannot be true; that is not true. Indeed, I believe that argument is a disservice to the American people and our forces in the field, whose resolve must remain strong as we continue to fight this great scourge on humanity.

Under President Bush's leadership, despite the naysayers who claim this task could not be done, we have confronted this evil for what it is. We have employed the very best weapon America has to offer: the power of our ideals and the power of liberty. Even as we battle them around the world, the terrorists have flocked to specific points to battle us. As coalition forces liberated Iraq and Afghanistan, they have been attracted to Iraq and Afghanistan like moths to the flame. Why? Because they realize that their dark ideology of hate will not—cannot—survive the spreading light of freedom.

The spread of democracy, the new foundation of the rule of law, and the creation of fledgling representative governments that honor and respect human rights—together these actions spell out the increasing marginalization of the terrorists, as they have fewer and fewer places to run and hide. Ultimately, they herald the end of terrorism as we know it.

Of course, none of us asked for this task. We cannot erase 9/11, as much as our hearts desire it. We cannot change the past. But we must acknowledge that this responsibility has fallen to us—in this time, in this generation—and we must and we will win by fighting this enemy where they plot and plan, so we do not have to fight them on American soil.

I want to reiterate: We must always remain conscious in this body as elected officials, as representatives of our States and of this great Nation—we must always be conscious of the fact that the words we say, particularly during an election season, can have a broad and negative effect on the morale of our soldiers in the field. We must continue to give our forces all the support they need and stay focused on our goal. And while our enemies began this fight on their terms, we will finish it on ours.

We will widen the span of the democratic peace into places where the enemy trains and recruits. We will liberate the people held under the yoke of darkness and despotism for generations. And around the world we will hear the rumble of millions of people waking to discover that yes, at long last, they are free.

Madam President, the terrorists have heard a great noise in Iraq—and it is the sound of their doom.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

SECRET HOLDS

Mr. WYDEN. Madam President, I think if you walked down the streets of the small towns in North Carolina or Oregon and asked people what the ''secret hold'' is in the Senate, my guess is you would not find one out of a thousand people who would have any idea what this extraordinarily important rule is here in the Senate. As the President knows, it is possible for any Member of this body to put a hold on a bill or nomination, and do it in secret. It is one of the most extraordinary powers a Member of the Senate has.

Senator GRASSLEY and I have led, over more than 5 years, a bipartisan effort to try to change it, to have some sunlight over the secret hold. We have been fortunate to have the support of Senator LOTT and Senator DODD. Senator BYRD has been exceptionally helpful on it. I am very hopeful that we will finally get this changed when the Senate resumes in January, after the election.

Senator FRIST has been very kind meeting with us. He, of course, became the leader and had a lot on his plate besides the question of reform of Senate rules. But we saw again last week why this is so important. Right in front of the desks here in the front of our Chamber, we saw Senators scurrying around, trying to figure out who had a hold on their bill; who, in effect, was using in these last few days of our proceeding with our work before the election, who was holding up legislation they had worked on for months, and in a couple of cases, for years.

I think this is fundamentally wrong. The rules of this body and the precedents established, as Senator BYRD has taught us so well, make so much sense. But this is a flagrant example of abuse of the rules, to have in the last few days of a Senate session Senators scurrying about here in the front of the Chamber, trying to figure out who is objecting to something they have worked on.

I think we all ought to be held accountable. If you object to a nomination or a piece of legislation, fine. But with that right should come accountability. I am very hopeful we can get those rules changed. And in the spirit of changing those rules, Senator GRASSLEY and I have said we are in effect going to jump-start the process by making it clear that if we have an objection to the consideration of a nomination or a bill, we are going to come to the floor and announce it.

For that reason, I want to take a few minutes and outline why I publicly have placed a hold on the nomination of Deborah Majoras to chair the Federal Trade Commission. She now serves in a recess capacity. Of course, the FTC is the agency that is in a very strong position to protect the American consumer from price gouging at the gas pumps. But instead of doing its job, the Federal Trade Commission, in my view, has chosen to waste the taxpayers' money by very recently issuing a self-serving report that they use to justify their lack of enforcement action to block oil companies from merging.

In making these comments, I want to make it clear that there are a host of reasons why gasoline prices are going up. Worldwide demand is certainly a big factor. We see that higher demand is contributing to higher prices, particularly in the case of China. Certainly the mischief of OPEC is a very significant factor. Certainly the inability to put in place the kind of conservation practices our country needs in the transportation sector. There are a host of reasons why gasoline prices have soared. But the U.S. General Accounting Office (GAO), our independent body that audits these kinds of issues, said in an important recent study that the oil industry mergers the Federal Trade Commission keeps approving are a significant factor in why gasoline prices are so high.

In fact, the GAO found that the oil industry mergers that went through in the 1990s increased concentration in the oil industry significantly and increased gasoline prices for consumers by as much as 7 cents per gallon on the west coast of the United States.

Let us acknowledge there are a variety of reasons that gasoline prices have soared. But the GAO has found in an independent review that the policies of the Federal Trade Commission with respect to mergers have hammered the consumer, especially on the west coast of the United States, and in effect caused a shift of dollars out of the pockets of the consumer and into the pockets of those oil companies that benefit from these mergers.

In effect, the Federal Trade Commission again and again has tried to offer excuses for their inaction on this oil company merger issue. In their recent report, the Federal Trade Commission tries to excuse their inaction by claiming that gasoline prices at the pump are determined by world oil prices.

Again, no one disputes that can be a factor. But the record shows there is a lot more to this than the Federal Trade Commission's simplistic analysis.

Yesterday, for example, the price of a barrel of oil soared to $49 per barrel, just short of the all-time highest price on record. Yesterday's price is 15 percent higher than the price of oil was just before the Memorial Day weekend.

In effect, there is a 25-percent difference in recent gasoline prices that cannot be explained by the Federal

Trade Commission's simplistic analysis. Clearly, there is a lot more going on in U.S. gasoline markets than can be accounted for by world oil prices alone.

In the hearings we held in the Commerce Committee, I have repeatedly cited the need on a bipartisan basis to make the case for why we need the Federal Trade Commission to do a better job of watchdogging these oil company mergers and protecting the consumer against anticompetitive practices.

I have asked repeatedly about this new study from the GAO. I have asked about the fact that the FTC issued a report which I think vastly oversimplifies the reasons why gasoline prices are so high and is an excuse to look the other way on this issue of oil company mergers. But the GAO is not alone in documenting how the Federal Trade Commission regulators have been missing in action when it comes to protecting the American consumer at the gas pump.

Since 2001, according to Bloomberg News, oil industry mergers totaling $19.5 billion have been unchallenged by the Federal Trade Commission. Bloomberg reports also that these unchecked mergers have played a role in contributing to the highest gasoline prices in the past few decades.

According to our review and the Federal Trade Commission's own records, the agency imposed no conditions on 28 of 33 oil mergers since 2001.

You can see the result of the Federal Trade Commission's inaction on this issue at gas stations in Oregon and across the country.

Nationwide, the GAO found that between 1994 and 2002, gasoline market concentration increased in all but four States. As a result of Federal Trade Commission merger policies, 46 State gasoline markets now face significant concentration which is almost double what we faced in 1994.

The Federal Trade Commission, oil industry officials, and consumer groups in effect now agree that in concentrated gasoline markets—and there are 46 gasoline markets, and I represent one of those markets—the oil companies do not need to go out and directly collude in order to raise prices. They don't need to go off to a steakhouse somewhere and sit down and in effect set the prices. The Federal Trade Commission's own general counsel said recently:

> It may be possible in selected markets for individual firms to unilaterally increase their prices.

So what you have is the Federal Trade Commission's general counsel in effect admitting that the oil companies in these concentrated markets have so much clout that in specific instances, they can price gouge with impunity.

Despite all of the evidence that gasoline markets around the country have become concentrated, and in these concentrated markets, individual firms can raise prices and extract monopoly profits, the Federal Trade Commission sits on its hands.

The General Accounting Office, in a May 2004 report, identified two major changes that even occurred in the gasoline market as a result of the wave of oil industry mergers and increased concentration during the 1990s.

> First, the availability of generic gasoline, which is generally lower priced than branded gasoline, had decreased substantially. Second, refiners now preferred to deal with large distributors and retailers which has motivated further consolidation in distributor and retail markets. The net results of these changes are likely to be higher prices and fewer choices for consumers when they purchase gasoline, especially in the concentrated markets. We have seen almost a doubling of the markets that are concentrated in recent years.

Despite the troubling findings of the General Accounting Office's report, Deborah Majoras has given no indication that she would in any way change the Federal Trade Commission's review of oil mergers. My sense is that Ms. Majoras hopes the General Accounting Office report disappears, that somehow Members of the Senate, who are busy and have lots of assignments, are going to go on to other things and are going to forget about this report which documents that the policies of the Federal Trade Commission are hammering the people I represent in Oregon and up and down the west coast.

As far as I could tell, when she is not trying to ignore the General Accounting Office report, she has taken steps to discredit the work of the General Accounting Office as she did in a letter to me.

An additional reason for my concern is that at virtually every opportunity, Deborah Majoras passes on the opportunity to even use her office as a bully pulpit to say that she is concerned about this issue. When she came for her confirmation hearings, she didn't even mention high gasoline prices among the issues she thought warranted consideration in her opening statement.

She didn't provide one significant new action she would take to address this urgent consumer issue. On August 16, Ms. Majoras received a recess appointment, and in the weeks since her recess appointment, there is no evidence that anything is going to change. As far as I can tell, the evidence indicates the campaign of inaction on competitive prices in the gasoline markets will continue. For example, Deborah Majoras announced that her priority as Federal Trade Commissioner is going to be involved in the national campaign on obesity. Well, I don't take a back seat to anybody in terms of fighting this problem. In fact, Senator FRIST and I have introduced legislation directed at the growing problem of childhood obesity. I hope Deborah Majoras will testify at the hearing to be held the first week in October on the Frist-Wyden legislation to tackle this serious problem of obesity.

But I come to the floor to say one reason I will continue the public hold I have on the Majoras appointment is that as she works on the important issue of obesity, she also needs to turn her attention to those oil companies feeding off American consumers' hard-earned money. As far as we know today, on her watch it is going to be business as usual in the gasoline market, with more oil company mergers, more concentration of oil and gas industries and higher gasoline prices for consumers at the pump. In my view, it is hard to find a more important consumer protection issue that the Federal Trade Commission has a responsibility for than overseeing competitive prices in our gasoline markets. High gasoline prices act like a tax on the consumers that reduces their purchasing power.

On average, gasoline prices are 20 cents a gallon higher than they were at this time last year. These higher prices mean a typical family is spending $600 more this year to fill the gas tanks in their car than they were a year ago.

Despite the urging that I and other colleagues have done, it has been hard to see the administration take any action to give the consumer a break from these record-high gasoline prices they have been paying throughout the year. I think it is interesting that there was a new development with respect to the Strategic Petroleum Reserve in the last 24 hours. In the last 24 hours, the administration announced it is negotiating to provide loans of oil from the Strategic Petroleum Reserve at the request of oil refiners to help keep their refineries supplied because of shortages of crude oil supplies in the Gulf of Mexico following the recent hurricanes.

I want to be clear. If there are significant supply shortages that can be relieved by the release of Strategic Petroleum Reserve oil, then I am all for making that oil available. That is what the Strategic Reserve was created to address. But I think it needs to be pointed out that this administration has a double standard with respect to using the Strategic Petroleum Reserve. They are willing to use the Strategic Petroleum Reserve to help big companies when they are in a jam, but they are not willing to use the Strategic Petroleum Reserve to help the little guy when the little guy is getting clobbered.

So I very much hope we will see a change in the administration's policies with respect to the Strategic Petroleum Reserve. Let's use it when we need to help companies, which seems to be the case with respect to the situation in the Gulf following the recent hurricanes. But let us not have a double standard that says we will use the Strategic Petroleum Reserve to help the big and powerful and sit on our hands when the little guy is getting hammered.

Let me close simply with one last point with respect to the role of the Federal Trade Commission. I intend to keep the public hold on the Majoras appointment for as long as it takes, until

that time when we see changes at the agency that will promote competition in our gasoline markets. Ms. Majoras has given no indication at her confirmation hearing or since then that she is going to change the Federal Trade Commission's oil companies' merger policies, which the GAO found in an independent review have increased gasoline prices for consumers.

Ms. Majoras didn't even believe high gasoline prices were enough of a problem for consumers to mention them in her opening statement at the confirmation hearings. When I and others pressed her at the hearing to say what she would do to protect consumers from higher gasoline prices, we were not given one example of how to address this urgent issue. She subsequently offered the committee a blueprint for inaction. Out of seven so-called commitments she wanted to make, three are a continuation of the status quo, and three essentially are public relations activities. Only one would involve something new—an investigation of a refinery closure using a subpoena, which is sort of like sending a search party after a horse that was turned loose years ago.

Since her recess appointment more than 4 weeks ago, Ms. Majoras has made it clear that protecting consumers from getting gouged at the gas pump is simply not a priority.

For these reasons, I have placed a public hold on the Majoras nomination. I intend to continue to object to any unanimous consent request for the Senate to consider this nomination, until we see that there are going to be some changes at the Federal Trade Commission to protect gasoline consumers, particularly the ones I represent on the west coast of the United States, who are now getting mugged at the gas pump.

I yield the floor.

THE ADMINISTRATION POLICY IN IRAQ

Mr. HATCH. Madam President, it has been another interesting week in the public debate on Iraq. Yesterday, a joint session of Congress was convened to hear the address of the Interim Prime Minister of Iraq, Iyad Allawi.

I have heard many foreign leaders address joint sessions, and I have found many of those addresses compelling, powerful, historic. Last year we heard the Prime Minister of Great Britain, Tony Blair, give a riveting speech, where a leader of a famous center-left democratic party forcefully supported our President and his administration on a question that has always been best served when the parties join together: the question of war and security.

We all remember the speech Prime Minister Blair gave, and the rationale he reiterated for joining his nation's forces to the cause of the coalition's liberation of Iraq. Prime Minister Blair and I come from two different political traditions, and we represent two different political philosophies, but I respect him and I admire him. His speech was one of the best speeches I have heard given in a joint session.

But yesterday's speech by Interim Prime Minister Allawi was truly one of the most historic speeches by a foreign leader before this Congress.

Prime Minister Allawi was direct in his gratitude for the U.S. contribution and sacrifice to liberate his country from tyranny. He was compelling in his declaration that the Iraqi people are determined to move forward in assuming their security and in conducting free and fair elections. And he committed his Government's partnership to fighting terrorism in that region and throughout the world. The House Chamber was fully packed by my colleagues from both parties. The Prime Minister received much applause and, to the best that I could see, that applause came from all of us. I am happy to recognize this because Prime Minister Allawi is not the Republican's ally in Iraq, he is America's ally in Iraq.

As we know from his biographies in the press, the Prime Minister has worked with American administrations before this one, including a Democratic administration. He is not beholden to Democrats or Republicans. He is beholden to the cause of an Iraq that is free from terror and tyranny. And he has the scars to prove that.

This is why I was so appalled to hear some of the criticisms of Prime Minister Allawi that emanated from the other side yesterday. None was so appalling as this statement, quoted in today's Los Angeles Times, by Joe Lockhart, a senior adviser to the Kerry campaign:

> The last thing you want to be seen as is a puppet of the United States.

Now, what a thought to put out. What a condemnation of a man who risks his life every day for freedom in Iraq and freedom throughout the whole Middle East and freedom throughout the world.

''The last thing you want to be seen as is a puppet of the United States,'' said Mr. Lockhart who, last I checked, was not known for his foreign policy expertise. He continued:

> You can almost see the hand underneath the shirt today moving the lips.

Now, Madam President, this quote will be read in Iraq today. The reason it can be read in Iraq today is because today Iraq has freedom of the press.

The reason there is freedom of the press today is because a brutal totalitarian dictatorship was deposed by a U.S.-led coalition. The reason there is freedom of the press today is because the United States has sacrificed over 1,000 of our young men and women to free a country from a dictator who tortured his people, gassed his subjects, invaded his neighbors, associated with terrorists and al-Qaida, built and hid weapons of mass destruction, repeatedly violated international law requiring him to reveal the whereabouts of those weapons of mass destruction, never allowed international inspectors to confirm the destruction of those weapons, and never—never—ceased his virulent and hostile rhetoric against the United States, and who caused the death of at least 300,000 of his own fellow countrymen who now or did lay in mass graves.

Madam President, you know what is underneath the shirt of Prime Minister Allawi? Scars from an ax attack by Saddam's henchmen. And do you know what is underneath those scars? A brave and patriotic Iraqi heart, beholden to no one but the cause of a free Iraq.

The Democratic spokesman's statement was a calumny, pure and simple. It was a cheap and pathetic shot from a man whose only combat experience is bullet points in 10-point font. It was a cheap jab to a man who barely survived an ax attack ordered by a tyrant we have deposed, and who has been four times—four times—targeted by the terrorists and gangsters who kill our troops and the Iraqi people and who would kill us if they could.

But let me be plain. The statement was worse than a calumny. It was a deliberate attempt to undermine our mission in Iraq. And I am sick and tired of some suggestions I have heard in the press recently that we cannot speak plainly about these matters.

Prime Minister Allawi is as legitimate a politician as anyone in Iraq today. He has fought for the cause since before Joe Lockhart chose the pencil as his weapon of choice. He can list more fallen, tortured, vanished comrades than Joe Lockhart can list maitre d's. He is the Iraqi Interim Prime Minister because he was chosen last June by the Iraqi Governing Council—Iraqis, if you will—to lead his own country. He is the man we are relying on to lead us to elections in January, which is a key aspect of our policy in Iraq.

We are not there but to liberate these people. And we have done so, so far. And I am getting sick and tired of some who have found fault with this in the most discouraging of ways. I think some of those comments undermine our young men and women over there. How would you like your sons or daughters over there to have to read this drivel that not only has been said by Mr. Lockhart but others who have continually maligned this war, continually maligned our cause, continually maligned our leaders, and, by implication, our efforts in this war?

When a Democratic spokesman publicly says Prime Minister Allawi is a puppet, which Prime Minister Allawi clearly is not, and he says so in a way that Iraqis under fire from terrorists and gangsters can read, there is no way we can conclude that this is not undermining the Interim Prime Minister.

When the Interim Prime Minister is undermined, our political ally in Iraq is undermined. And when our political ally in Iraq is undermined, the work of