SENATE—*Friday, November 1, 1985*

(Legislative day of Monday, October 28, 1985)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Come unto me all ye that are weary and heavy laden, and I will give you rest.—Matthew 11:28.

God of peace, manifest Yourself, Your grace, Your wisdom, Your peace, in this place and upon these people today. Something is not right. There is much activity and hard work but little progress, as though the Senate is on a treadmill. They face the farm bill with many different commodities competing for attention, as well as regions. The debt ceiling which somehow seems to defy resolution despite its inevitability. And reconciliation, the giant, which like a magnet attracts all manner of amendments.

Meanwhile Father in Heaven, Senators grow weary, discouraged, and disappointed as a Friday session upsets many plans for home State business, family, and other commitments. Someone has said it is better to be swallowed by a whale than to be nibbled to death by minnows. Gracious, Loving Lord, bestow upon leaders and Members a special measure of grace and peace, so that neither massive issues or trivia will be allowed to frustrate essentials and priorities. In His name Who promised rest for the weary. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

THE CHAPLAIN'S PRAYER

Mr. SIMPSON. Mr. President pro tempore, again our Chaplain leaves us with a pungent message and indeed he is an extraordinary person. I note more and more he understands the processes of this place as he speaks.

I have a different phrase for that marvelous allusion to the whale and minnows. I have often said that sometimes the process here is like getting pecked to death by ducks and that, of course, is a grisly fate as anyone might imagine.

SCHEDULE

Mr. SIMPSON. Mr. President, on this All Saints' Day we go ahead and grapple with the farm bill and indeed we have much to do there. We have not even come to the issues of commodities and the dairy issue and some critical tough debates. The reason we do not is that they are tough and people prefer not to deal with them, but that is our task. Again that is what we are here for. So we will be doing that.

Let me just review what we are up to this day:

We have the two leaders under the standing order of 10 minutes each; special orders in favor of the following Senators for not to exceed 15 minutes each, Senator THURMOND, Senator WILSON, Senator DOLE, and Senator PROXMIRE.

If time permits there will be a period for the transaction of routine morning business not to exceed beyond 9:45 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, it will be the intention of the majority leader to turn to the consideration of H.R. 2965, the State, Justice, Commerce appropriations bill. Votes can be expected prior to the hour of 12 noon on the appropriations bill.

At approximately 1 p.m. the Senate will then resume consideration of the farm bill, S. 1714.

Also, at some point during the day's session, the Senate could deal with the debt limit, either an extension or House Joint Resolution 372, the original debt limit extension with Gramm-Rudman-Hollings as an amendment. The House will deal with that issue at 11 o'clock this morning. When we review the results of their labors, we will better be able to advise our colleagues on both sides of the aisles as to what our procedures here will be and whether that will take more time this date than originally thought. Rollcall votes can be expected throughout the day. That is a swift review of our activities.

I reserve the balance of the leader's time. I note that my good friend from Wisconsin is here and I will certainly yield to him.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. EVANS). The acting Democratic leader is recognized.

Mr. PROXMIRE. Mr. President, first I want to say how delighted I was to hear even a slight reference by my good friend from Wyoming about dairy. There was that magic word. I loved it. He is always so friendly and so kind and so helpful that I am sure he will be able to give a little hand when that comes up, at least I hope and pray so.

HERE'S HOW THE PRESIDENT CAN ESCAPE FROM HIS ARMS CONTROL AND DEFICIT DILEMMA

Mr. PROXMIRE. Mr. President, will the United States negotiate a dramatic, far-reaching, and comprehensive arms control agreement with the Soviet Union? Superficially, the answer might seem to be an obvious and emphatic "No." After all, isn't the President of the United States the absolutely quintessential, in fact, total power when it comes to arms control negotiations by the United States? He is, indeed. There is no question about that. And doesn't this President have a long, unblemished record of opposition to every arms control agreement in the 40 years of the nuclear age—whether negotiated by Republicans or Democrats? He does. And hasn't the President advanced his own greatly preferred alternative to a nuclear arms control agreement: a strategic defense initiative or star wars? He has. And doesn't the logic of the President's complete faith in star wars as the method of defending America against a Soviet nuclear attack make reliance on an arms control agreement with the treacherous, immoral, treaty violating Communist Russians, a wholly unnecessary redundancy? It sure does. And hasn't the President's Secretary of Defense recently expressed the most explicit kind of misgivings about the value of an arms control treaty with the Soviet Union? He has. And doesn't the Secretary of Defense constantly and faithfully reflect to-the-letter the views of his Commander in Chief, Ronald Reagan? He does. In fact, Secretary Weinberger follows the President's views precisely, fully, in fact, slavishly.

In view of all this, why should any realist contend that this administration may agree to an arms control treaty with the Soviet Union? The answer, Mr. President, is that the President will have to make the hard, tough choice between no arms control

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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and a very big tax increase; or arms control and no tax increase. Given that choice, this Senator is betting on an admitted long shot, a Presidential decision against a big tax increase. Why will the President be faced with what he must regard as a terrible, terrible choice? Why can't he go on blithley as he has in the past with huge deficits to finance the arms race instead of a tax increase? Answer: the Gramm-Rudman-Hollings amendment that passed the Senate and is now being worked over in conference will very likely emerge with iron bound requirements for Congress to reduce the Federal deficit. The conference product will be in something like its present form. If it does so emerge, the Congress will be faced with the painful choice of either making drastic reductions in military spending or sharply increasing taxes. In a classic letter to the Washington Post on Sunday, October 27, House Armed Services Chairman LES ASPIN brilliantly describes how devastating will be the cuts mandated by Gramm-Rudman-Hollings in military spending as the amendment is presently worded. The conference committee can correct some of the Aspin exposed absurdities in the amendment that would force grossly inefficient reductions in military programs, but the conference is very unlikely to let defense off the hook. There is no way that the Congress can reduce the Federal deficit by $36 billion a year for 5 years as required by the amendment without either sharp reductions in military spending or a truly massive tax increase. A 1- or 2-year surtax or some other temporary tax hike could not do the job. Without sharp defense spending reductions the amendment would mandate a permanent increase in the tax burden the Federal Government imposes.

So how does President Ronald Reagan, who takes such pride in the Nation's defense buildup during his Presidency, solve this dilemma? How does the President who defied the Congress to "make his day" by letting him veto any tax increase handle this one? As James Reston wrote in the New York Times on October 27, President Reagan is the greatest escape artist since Houdini. He sure is. But can he escape this one? He can. Here is how: He makes an arms control agreement with the Soviet Union that is truly comprehensive. It is so comprehensive that it saves any future United States spending on star wars. And that by itself is a bundle. It also permits the President to announce a cutback in military personnel at all levels and by several hundred thousands. He will forget about the 600-ship Navy. Air Force and Army procurement will sharply drop. Result: The President will become the great peace President. President Reagan will become the man who stopped the nuclear arms race that seemed hellbent for the final Armageddon, and, best of all for millions of taxpayers, he will become the President who cut taxes and kept them cut while sharply reducing the Nation's huge economic albatross—the massive Federal budget deficits. Of course, all this will take a spectacular U turn on arms control and military spending. But why not? This way the President and his administration lands on its political feet. Any other course takes him over the cliff and onto the rocks.

This Senator does not argue this is the right course or the inevitable course. But, viewed strictly from a political standpoint, the President has an easy decision.

FLEECE FOR NOVEMBER GOES TO PENTAGON

Mr. PROXMIRE. Mr. President, today I am awarding my Golden Fleece for November to the Pentagon—now read 'em and weep on this one—for spending $162 million annually producing and buying periodicals and newspapers.

The poor taxpayer is being dog-eared and sent to the bindery with this expense, especially since the Pentagon admits that many of its own publications are nonessential.

And browse over this one: $119 million of this amount was spent for purchasing about 1.9 million subscriptions to various public newspapers and magazines such as Newsweek or the Washington Post.

What we have here is evidence of the Pentagon's new motto: "Better read than dead."

When the American taxpayers hear this story, I think they will conclude that "no news would be good news." Here are the facts:

The Pentagon is the world's largest consumer of newspapers and magazines with $119.3 million spent each year to purchase an estimated 1.9 million subscriptions. There are no management controls over these purchases which are approved routinely—probably because the cost of each individual subscription is not very high. But add them all up and you get a real budget buster.

Even the Defense Department inspector general's office has concluded that "we believe that the lack of controls over commercial periodicals has resulted in the procurement of nonessential commercial periodicals."

In addition to purchases of magazines and newspapers, the Defense Department spent $20.4 million for publishing periodicals. Ten periodicals alone cost over $6.8 million annually. They are:

Soldiers; PS, the Preventive Maintenance Magazine; Army Logistician; Air University Review; All Hands; Army Reserve Magazine; Army Echoes; Airman; Driver; and Air Reservist Magazine.

Many of these publications contain similar information and are directed to the same audiences. A sample taken by an internal audit found that the military publishes 126 civilian personnel bulletins and newsletters, 25 safety bulletins, and 40 retiree newsletters and bulletins.

Why so many addressing the same questions and the same audiences? Because each military service, each major component, each recognizable group or category of individuals wants their own publications. The Army does not want to read an Air Force publication even if the information is relevant. And the Navy would not consider an Air Force publication as appropriate to their interests.

When the Pentagon reads about its reading habits as a result of this fleece, I hope they will follow the recommendations of their own inspector general auditors and take out the budget-cutting knife. There is no doubt about it—the pen had proved to be mightier than the purse at the Pentagon.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the Bhopal disaster could not happen today in the United States. That is a myth. It could very possibly happen here. Last year, Bhopal, India, suffered one of the worst environmental catastrophes of modern times.

American reporters covering the accident all asked the same question: Could a Bhopal-type accident happen here? The administration's answer was a resounding No!

According to them, our comprehensive system of environmental and safety safeguards prevents future tragedies of this type from occurring in the United States.

They are wrong, Mr. President. As shown by recent incidents at Institute, WV, and Linden, NJ, nothing could be further from the truth.

Although Congress enacted strong legislation such as the Toxic Substances Control Act; Resource Conservation and Recovery Act; Hazardous Materials Transportation Act; Safe Drinking Water Act; Clean Air and Clean Water Acts, and Federal Insecticide, Fungicide and Rodenticide Act, EPA and DOT enforcement is spotty or nonexistent.

For example, there are just a handful of Federal inspectors responsible for inspection of the over 400,000 tank trucks and 160,000 railroad tank cars which regularly carry hazardous materials. These are simply not inspected, except very, very rarely.

According to an EPA internal document, about five accidents involving leaks of toxic substances occur every day. The authors base their conclusions on a partially complete data base, the best available, which covers only part of the United States. When extrapolated to the entire country, the true accident rate is probably several times higher.

EPA is also slow in producing the emergency plans needed for preventing spills of dangerous substances into our waterways. The Agency has had since 1972 to prepare a final hazardous spill prevention plan required by the Clean Water Act but produced no regulation.

The same Agency produced only five standards for individual hazardous air pollutants since 1970, despite the hundreds which it admits are emitted into the air.

It is time to start regulating these substances before the next Bhopal happens here.

HUMAN RIGHTS IN UGANDA

Mr. PROXMIRE. Mr. President, on July 27, 1985, an army coup led by Lt. Gen. Tito Okello toppled the government of Apollo Milton Obote.

The U.S. Committee for Refugees reports that when Mr. Okello took office "1 out of every 14 Ugandans was a refugee or displaced. Approximately 300,000 Ugandans remained outside the country's borders as refugees. As many as 950,000 more were internally displaced from their homes and farms, but remained within Uganda in a refugee-like situation."

In August 1984, the U.S. Department of State publically condemned the human rights record of the Obote government as "horrendous" and "among the most grave in the world." It estimates that as many as 100,000 to 200,000 Ugandans died since the overthrow of Amin. Other sources claim casualties were between 300,000 and 500,000.

Unfortunately, Uganda's recent history is the story of failed leadership. Mr. Okello's predecessors practiced genocide. Government officials and army officers, unable to overcome religious, ethnic, and tribal differences, resorted to widespread torture and detention of civilians.

Mr. President, Mr. Okello's tenure as ruler of Uganda will be difficult. Uganda's complex political and social organizations will test his strength and resolve. I wish him well.

Uganda remains rich in potential to become a nation that safeguards human rights. Under Mr. Okello Uganda can once again reclaim its title as the "pearl of Africa." The development of human rights protection in Uganda will be slow and tedious. Behavior will not change overnight.

Mr. President, the United States must send a message of hope and caution to Mr. Okello. The U.S. Senate must ratify the Genocide Treaty making clear to him and the world that we oppose the heinous crime of genocide. Our ratification will demonstrate that we shall hold him accountable for the preservation and protection of human rights in Uganda.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the special order which was reserved for me be reserved for the Democratic leader, Senator BYRD, in view of the fact that I used his leader time this morning.

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

RECOGNITION OF SENATOR WILSON

The PRESIDING OFFICER. Under the previous order, the Senator from California is recognized for not to exceed 15 minutes.

Mr. WILSON. I thank the Chair.

CONTROL OF TIME

Mr. WILSON. Mr. President, I ask unanimous consent that the special order in favor of the majority leader be under the control of the Senator from California.

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

Mr. WILSON. I ask unanimous consent that the special order in favor of the President pro tempore be reserved for his use later in the day.

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

Mr. WILSON. Mr. President, I yield to my distinguished friend, the senior Senator from Idaho (Mr. MCCLURE).

The PRESIDING OFFICER. The Senator from Idaho.

PRESERVING DETERRENCE THROUGH U.S. STRATEGIC STRENGTH

Mr. McCLURE. Mr. President, I thank my friend from California for yielding. I also thank him for the significant leadership he is providing to the Senate in giving the opportunity to several of us to cooperate with him in the effort of examining the United States negotiating and military-foreign relations posture with respect to the Soviet Union.

Mr. President, I would like to speak again today about the U.S. strategic defense initiative and the correct, sound "fully justifiable" way to interpret the SALT I Anti-Ballistic Missile Treaty.

In September 1972, the Soviet Minister of Defense, the late Marshal Grechko, stated: "The ABM Treaty places no limitations whatsoever on the conducting of research and experimental work directed toward solving the problems of defending the country from nuclear missile strikes." I agree with President Reagan that the Soviets are way ahead of us in SDI and Asat development, and one reason they are ahead is that they have not let the ABM Treaty interfere with their SDI and Asat development and testing. Neither should the United States, because only SDI deployment is restricted under the ABM Treaty.

I believe that the State Department's unfounded "restrictive" interpretation of the SALT I ABM Treaty has crippled President Reagan's strategic defense initiative. Under the State Department's unfounded "restrictive" interpretation, the United States would spend about $26 billion for mere SDI research over the next 20 years. To do no more than mere research for 20 years would be a tragic waste of our ever scarcer defense funds. The State Department's unfounded restrictive interpretation of the ABM Treaty binding us but not the U.S.S.R. simply constitutes U.S. unilateral disarmament, as I said on the Senate floor last week.

The State Department has already in effect traded away President Reagan's SDI, even before the summit, and for no quid pro quo at all in Soviet arms restraints.

I do not support a double standard on SALT compliance for the Soviet Union, allowing their SALT I and SALT II break out violations and massive strategic buildup, while the United States is enmeshed in the self-imposed straitjacket of unilateral SALT compliance. Indeed, Mr. President, keeping the United States SDI under the restrictive interpretation is a way of putting off for 20 years a crucial decision needing to be made today, here and now, dealing with the urgent threat to America of Soviet offensive and defensive superiority. If America will not face up now to the necessity of responding proportionately to Soviet SALT break out violations and their massive military buildup, will we be any more likely or able to respond 5 years into the future, when the Soviets will be even stronger and we will be even weaker? I believe that it is imperative that the U.S. SDI Program be restructured as soon as possible to be consistent with the President's "fully justifiable" interpretation of the ABM Treaty that all SDI research, develop-

ment, and testing is fully legal. This would means U.S. SDI technology demonstration tests so soon as possible.

Mr. President, it was recently reported that the Soviets have offered to stop construction of their Krasnoyarsk ABM battle management radar, which President Reagan has confirmed is an "outright," "clear," and "direct" violation of the ABM Treaty, in exchange for the United States refraining from modernizing two overseas radars which were not even covered by the ABM Treaty.

According to Defense Department drawings of the Krasnoyarsk radar derived from U.S. Intelligence, it is externally physically already completed. Hence the Soviets could easily agree to "stop" constructing it, while secretly continuing to install its internal electronic equipment. It will be operational by 1987, without any further detectable activity. Such a brazen deception would not be uncommon at all for the Soviets, given their record of past negotiating deceptions, operational camouflage, concealment, and deception ("Maskirovka" in Russian) and outright arms control treaty violations. Already, in the last 3 years, for example, two Soviet leaders have twice proposed a unilateral Soviet moratorium on their own SS-20 deployment program, while continuing just the same with deploying SS-20's. So the United States should be wary of foregoing the perfectly legitimate modernization of the Thule, Greenland and Fryling-dales, England early warning radars not even covered by the ABM Treaty, in exchange for an almost certainly deceptive Soviet concession. I ask unanimous consent that the article by William Safire in yesterday's New York Times entitled "Krasnoyarsk Chutzpah" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 31, 1985]

KRASNOYARSK CHUTZPAH

(By William Safire)

WASHINGTON.—The Soviet Union, which wants to block our space-based missile defense, has been caught redhanded with an illegal ground-based missile defense—but refuses to give it up.

On July 27, 1983, the syndicated columnists Rowland Evans and Robert Novak reported that a top-secret warning had been sent by U.S. intelligence to the White House: an immense radar system was being built in Siberia in violation of the ABM treaty.

That column turned out to be the scoop of the year. A week later, Senator James McClure wrote President Reagan asking for a closed-session briefing on what he termed "the most flagrant Soviet SALT violation yet." The next week, The New York Times confirmed the concern of intelligence officials at the satellite photos of the new radar installation the size of two football fields near Krasnoyarsk.

Three months before this disclosure, President Reagan surprised the world with his idea for changing the basis of nuclear deterrence: no longer would we rely on "mutual assured destruction," enshrining vulnerability in a balance of terror, but we would seek to build a defense against incoming missiles.

Build defenses? That notion horrified the MAD crowd, which believes that nakedness is strength. "Concerned Scientists" rushed into print with predictions that a shield could never be devised. Russians joined in the furious derogation of "Star Wars" defense, which would leapfrog the Soviet advantage in offense.

But there was a glaring weakness in the Soviet-MAD argument: the news that the Russians were building a missile-targeting radar in their heartland meant that the Soviet Union, in violation of the Antiballistic Missile Treaty of 1972, was building its own defense. If the Russians were cheating by building a secret defense, then the argument against an open U.S. defense collapsed.

That is why the American doves refused to believe the story of the Krasnoyarsk radar. It had to be a concoction of right-wing extremists bent on ruining traditional arms control doctrine. Doves preferred the Russian explanation: just listening to messages from space.

That is also why some of us hardliners have been hitting the Krasnoyarsk violation so hard. Stop for a moment of background. The Nixon-Brezhnev deal allows for "early warning" radars on the periphery of our mutual defenses, but only one local defense against missiles. The Russians chose to build a local defense around Moscow; we chose to build none. Their permitted Moscow ABM includes a battle-management radar to plot the trajectories of hundreds of incoming missiles simultaneously, enabling ground-based missiles to shoot them down.

Now here's the rub: The building in Krasnoyarsk is the same, in size and signals, as the radar installation near Moscow that the Russians freely assert is designed to target incoming ICBM's. (Russian technocrats stick to one set of plans.) The only real difference is that the radar at Krasnoyarsk is a treaty violation; it means the Russians are putting a rudimentary national missile defense in place.

In other words, they may have already begun to deploy "Ground Wars"—a ground-based defense against missiles in their reentry stage—while complaining about our prospective testing of Star Wars, a space-based defense against missiles in their launch stage.

At this point, with a summit approaching and the blatant Krasnoyarsk violation making their antidefense argument untenable, the Russians could (a) admit the violation and shut it down, (b) admit nothing but dismantle their illegal radar, (c) wreck their attack on the U.S. space-defense plan by doing nothing.

Mr. Gorbachev chose a bolder fourth course: he offers to "stop building" his defenses at Krasnoyarsk (outside, that is—inside, the electronic work goes on) in return for abandonment of U.S. plans to upgrade a couple of our early-warning radars that the treaty permits.

Talk about chutzpah: we'll hold our violation at its present level, he says, but you have to pay for it.

True to form, our MADmen embrace this cynical ploy as evidence of his conciliation, and promptly cast suspicion on modernizing our peripheral early-warning system.

Don't be fooled: the Krasnoyarsk radar defense is evidence of the Soviet drive to put a national ABM in place. It proves that Mr. Gorbachev does not care if his treaty-breaking stands exposed. Mr. Reagan is duty bound to insist on complete dismantling of "Ground Wars" before discussion of limiting deployment of other defenses can begin.

Mr. McCLURE. Mr. President, I would now like to compare Soviet strategic defenses with the United States SDI. But at the outset, we should recognize that the Soviet SDI, space-based ABM based on "other physical principles," and the Soviet Asat, are way ahead of the United States, as President Reagan has stated. Dr. Robert Jastrow has also said that the Soviets are ahead of us in SDI.

Regrettably, the President's goal of a stable transition to deployment of strategic defenses will be unattainable in the 1990's or beyond if the United States is unable to deter the Soviets from illegal land-based ABM deployments in the 1980's. The United States cannot expect to deter illegal land-based Soviet ABM deployments in the 1980's without reorienting our own strategic defense initiative.

The Soviet Union has the only operational ABM system, the only open production lines for ABM interceptor missiles and mobile ABM radars, open production lines for two types of mobile SAM interceptors and mobile radars capable of ABM use, and far more extensive air defenses and civil defenses than does the United States. Moreover, because Soviet offensive forces have over three times the warheads and six times the counterforce capability of the United States Forces, it is unrealistic for the United States to assume that modernization of United States offensive Forces alone will deter further Soviet ABM deployments. And again, the Soviets are way ahead in SDI development and testing and in Asat deployment. The United States can only deter the Soviets from additional illegal ABM deployments, if at all, by developing a capability and readiness for selective deployment of at least a limited American—and possibly also a NATO—land-based ABM system before the close of this decade. The United States SDI as currently structured under the restrictive State Department interpretation of the ABM Treaty has not deterred Soviet breakout from the SALT I ABM Treaty.

The Congress must work with the President to prevent further erosion of the U.S. strategic deterrent. Before the next Defense budget is requested in January 1986, the United States must review land-based ABM system development options, and must work jointly with NATO allies to expedite development activities before the Soviets destroy the ABM Treaty in its entirety. Those arms control commit-

ments that have any chance of surviving Soviet indifference to legal obligations depend upon United States and allied safeguards programs that strengthen incentives for arms control compliance. But even more importantly, the United States must restructure SDI into a robust, ambitious, technology demonstration program as soon as possible.

Let me review the Soviet land-based strategic defense programs of the last 20 years, before turning to the necessity of building practicality into the United States strategic defense initiative.

THE SOVIET STRATEGIC DEFENSE INITIATIVE, 1965-85

THE MOSCOW ABM SYSTEM

The Soviets began deploying the original Moscow ABM system in the early 1960's, and even before the 1972 ABM Treaty they began research on the newer Moscow system now almost fully deployed and by 1987 to be augmented by completion of the Pushkino radar.

DUAL PURPOSE SAM AND ABM MISSILE AND RADAR NETWORK

Also in the early 1960's the Soviets began development of a high altitude surface-to-air missile with a range of about 300 kilometers. U.S. intelligence calls this missile the SA-5. It became the most widely deployed surface-to-air missile in the Soviet Union. There are about 2,000 SA-5 interceptors deployed. This surface-to-air missile was the only Soviet SAM missile deployed with a range significantly greater than 100 kilometers. Credible press reports indicate that the SA-5 has nuclear warheads, and has been tested in an ABM mode over 60 times between 1973 and 1977.

The Soviets made no secret of the fact that this SA-5 rocket was designed with both an air defense and an ABM variant, but once the Soviets signed the ABM Treaty of 1972, the Soviet press began to refer to this SAM missile and associated radars only as an antiaircraft system. Why, after ABM Treaty ratification in 1972, did the Soviets continue to test the SA-5 interceptor missile concurrently with tests of ABM radars? Why, after ABM Treaty ratification, did the Soviets continue to test SA-5 radars during ballistic missile tests? Why did the Soviets resume concurrent testing of SAM system components and ABM system components, after United States complaints in 1975 in the Standing Consultative Commission? Why have the Soviets continued concurrent testing of SA-5, SA-10, and SA-12 missiles and radars in an ABM mode even after SCC agreements in 1978 and 1985 banning just such testing?

The answer should be obvious: The Soviet Union circumvented the ABM Treaty limit of 100 missile interceptors by developing and deploying dual purpose air defense and ballistic missile defense systems. And the dual purpose SA-5 SAM and ABM interceptor threat of the 1970's has been augmented by the SA-10—low altitude—and SA-12—high altitude dual purpose—SAM and ABM interceptor threat of the 1980's. Thus the Soviets have three kinds of SAM's which have a built in ABM capability, and which have been thoroughly tested in the ABM mode. And two of these systems are mobile, and all three are in mass production.

A SOVIET ADMISSION THAT SAM'S HAVE ANTI-ICBM CAPABILITIES

A Soviet military attache in Washington admitted in June 1983 to an American academic arms control expert that both American and Soviet translators have recurringly mistranslated the Russian phrase zenitnykh raketnykh kompleksov to mean antiaircraft missile complexes, when this term also applies to missiles with an antiballistic missile capability. This was an extraordinary, extremely important admission. According to the account of the American academic arms control expert:

> When asked if he meant that Soviet "anti-aircraft missiles" had a capability to hit U.S. ICBMs, the Soviet military attache answered "yes" and elaborated without any prompting that Soviet weapons builders had the knowledge to make "anti-aircraft missiles" effective against U.S. ICBMs and did so.
>
> To check that we were in fact talking about the same thing, the American expert noted that the 1972 ABM Treaty and its 1974 protocol limited each country to only 100 ABM missiles. The American expert asked directly if what the Soviet military attache was saying meant that the Soviets had broken the Treaty.
>
> The Soviet military attache responded with a question—"What did you want us to do, not use the knowledge we had?"
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> The American expert asked again if the Soviet military attache meant the Soviet Union had already broken the Treaty.
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> This time the Soviet military attache gave no verbal answer, merely shrugging his shoulders . . . .
>
> The American expert got the impression that the Soviet military attache was fully aware of what he was saying. His English is excellent. He made no attempt to dissuade the American from the idea that the Soviets had broken the ABM Treaty.

This account is one of the best pieces of evidence that Soviet surface-to-air missiles and radars have an ABM capability. At Geneva recently, a top Soviet arms negotiator also admitted to an American official that Soviet SAM's had an ABM capability, thus confirming the 1983 Soviet military attache statement. Much technical evidence also supports this conclusion, and President Reagan has stated that it is "highly probable" that Soviet SAM's have been tested in the ABM mode.

Defense Secretary Weinberger stated yesterday on October 31, 1985, in testimony to the Senate Foreign Relations Committee that because of the SA-10 and SA-12 ABM capability, the Soviets now have "some nationwide ABM capability." But this is specifically prohibited by Article I of the ABM Treaty. So here is yet another altogether new Soviet ABM Treaty violation confirmed by the Secretary of Defense.

A CLEAR AND PRESENT DANGER TO U.S. DETERRENCE

The Soviets have deployed a multi-tiered system of defense against ballistic missiles that is a "clear and present danger" to United States deterrence. The Soviet program accelerated after the United States unilaterally dismantled the 100-interceptor ABM defense of a Minuteman ICBM field in 1975. Since that time the United States has had no operational ABM system. The United States has had no ABM interceptor production lines open. The United States has had no ABM development program designed for rapid deployment in event of Soviet breakout from the ABM Treaty. In short, the collapse of the U.S. ABM program in the early 1970's and the long term design of the strategic defense initiative of the 1980's under the State Department restrictive interpretation of the ABM Treaty, have left the United States without a capability to deter Soviet ABM deployments.

THE SOVIETS HAVE DEPLOYED A MULTITIERED SYSTEM OF DEFENSE AGAINST BALLISTIC MISSILES

The Soviets have illegally developed mobile ABM radar systems for at least a decade, as reported in two Presidential reports to the Congress (the GAC report, January 1984; the Interagency report, February 1985.)

As noted, the Soviets have concurrently tested ABM components and surface-to-air missile [SAM] components, and many of these tests were probable violations and some "highly probable violations" according to the Interagency Presidential report of February 1985.

The October 1985 Defense Department report, "Soviet Strategic Defense Programs," acknowledges that the Soviets have at least 10,000 air defense radars and about 12,000 SAM interceptor launchers presently deployed. The October 1985 DOD report on "Soviet Strategic Defense Programs" also acknowledges that the SA-12 and SA-10 SAM's provide a two-tiered defense, high- and low-altitude, with a capability to intercept incoming ballistic missiles. This is highly significant.

While the United States watched for ABM treaty breakout, the Soviets engaged in concurrent testing of overly capable air defense systems, deployed these dual-purpose SAM and ABM systems by the thousands, and are nearing completion of the last long lead item, the Krasnoyarsk radar, expected to be operational by 1987. A new radar

at Pushkino will give the Moscow ABM system enhanced capabilities, also by 1987. This Soviet complete, nationwide defense is only 1 short year away from being fully operational. This is an urgent, dangerous threat to U.S. deterrence.

The Krasnoyarsk ballistic missile detection and tracking radar is in the north central sector of a large ellipse containing "strategic SAM concentrations." According to the October 1985 DOD report, pages 9, 16.

We must stop thinking of this radar as the first important violation of the ABM Treaty, but rather, as the last essential phase of an illegal Soviet territorial defense. This is because the Krasnoyarsk radar system "closes the last remaining gap in Soviet ballistic missile detection coverage," as reported in the October 1985 report, "Soviet Strategic Defense Programs."

A POLICY OF UNPREPAREDNESS CANNOT DETER SOVIET BREAKOUT FROM THE ABM TREATY

If the United States limits its strategic defense program at the research phase, the United States cannot deter illegal Soviet ABM deployments, because the United States has no operating ABM system, no open production lines for ABM's, and inadequate offensive forces, at an over 6 to 1 disadvantage, to deter Soviet ABM deployments.

THE SOVIETS HAVE CIRCUMVENTED THE DEPLOYMENT LIMITS THAT ARE THE HEART OF THE ABM TREATY

As Ambassador Smith said on May 26, 1972, article III which limits ABM deployments in the heart of the ABM Treaty. But with thousands of Soviet dual purpose SAM and ABM interceptors already deployed, the Soviets have already got a prohibited nationwide and territorial ABM defense. If the deployment limits cannot be preserved from further Soviet encroachments, it is illusory to speak of unilateral U.S. restrictions on lawful SDI development activities, or "harpooning" of the ABM Treaty by exercising legal rights under it.

A U.S. DEVELOPMENT PROGRAM FOR MOBILE ABM SYSTEMS IS ESSENTIAL IF THE UNITED STATES IS TO REESTABLISH DETERRENCE OF ILLEGAL ABM DEPLOYMENTS

A U.S. testing and development program for fixed, land-based strategic defenses has always been recognized to be permissible. But such a program is, by itself, inadequate to deter further illicit Soviet ABM deployments. Fixed-site, land-based ABM systems are likely to be more vulnerable to attack than are mobile systems. The United States can proceed somewhat further with only land-based testing of components and with mobile testing of subcomponents. But is so limited a development program an effective deterrent?

OVERBREADTH OF ABM INTERPRETATION, 1977-84

It is true that in 1971 some working level negotiators wished to ban testing and development of futuristic ABM systems, but they failed to incorporate any private understandings at the working level into the treaty instruments that bind nations. Why did these negotiators fail to make an explicit part of the treaty a ban on development of "other physical principle" ABM systems? Why do the treaty instruments require predeployment discussions and why do they link this duty to article III—limiting deployments—and not to article V—limiting development? Why does agreed statement D fail to distinguish between fixed, land-based ABM systems and mobile systems?

A U.S. testing and development program for all types of strategic defenses based upon "other physical principles," is legal now, and was interpreted as not illegal in 1972 by those U.S. spokesmen authorized to bind the United States during the ABM ratification process. Every one of the statements in "Documents on Disarmament, 1972," the official annual publication of the Arms Control and Disarmament Agency, notes that it is deployment of "other physical principle" ABM systems that is prohibited. Not one of these 1972 statements by the President, the Secretary of State or the head of the SALT delegation assert that testing and development of "other physical principle" ABM components were to be prohibited. Thus the interpretation of the ABM Treaty which allows unrestricted SDI development and testing is "fully justifiable," as the President has decided. This is certainly the Soviet interpretation of the ABM Treaty as well, according to Marshal Grechko and to Soviet actions. The Soviet SDI program has been going full speed since the 1960's, no wonder they are ahead.

But starting in 1977—and thereafter reflected in both public writings and in arms control impact statements—several of the U.S. SALT I negotiators who failed to incorporate any explicit predeployment limit on "other physical principles" ABM systems within the treaty instruments, began to write in public as if they had banned the development of mobile laser and directed energy systems. These articles were immediately rebutted, however, by persons who examined both the full set of treaty instruments and the Vienna Convention on the Law of Treaties. In particular, article 31 of the Vienna Convention asks us to look only to treaty instruments if these are dispositive, and not to the intent of working level negotiators who lacked the authority to bind their nation—per article 7—and who failed to incorporate their desires in treaty instruments.

If the ABM systems defined in article II are those that were currently foreseeable with sufficient precision to regulate, then the article V limits applied to testing and development of mobile component radars, interceptors, and launchers, but not ABM systems based on "other physicial principles." These are explicitly treated only in agreed statement D, which requires discussions—and implies a need of treaty modification—preceding deployment, but not preceding development.

THE INTENTION OF CERTAIN NEGOTIATORS TO LIMIT FUTURISTIC ABM SYSTEMS WAS THWARTED BY SOVIET NEGOTIATORS

American SALT I negotiators intended to limit much of the ensuing harm of Soviet weapons development and deployment. But despite their good intentions, they failed to limit the quadrupling of the throw-weight of the SS-19 compared to the SS-11 ICBM, they failed to limit Soviet deployment of the mobile SS-16 ICBM, they failed to preclude conversion of dismantled Yankee ballistic missile submarines to even more lethal cruise missile carriers, they failed to prevent increases in defenses by means of the Moscow and Krasnsyarsk territorial ABM complexes, and they failed to prevent the deployment of thousands of dual purpose SAM and ABM interceptors that a Soviet military attaché and a Soviet arms negotiator admit were designed to destroy United States ICBM's. So it should not be surprising if despite their good intentions, certain United States negotiators found that the Soviets kept their options open by keeping out of the ABM Treaty any binding limit on development of ABM systems based on "other physical principles."

RESPONDING TO SOVIET VIOLATIONS

Between January 1984 and June 1985 the President reported on four occasions to the Congress regarding Soviet noncompliance with arms control agreements. The unclassified findings are summarized in the following table. I ask unanimous consent that the table and footnotes be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—PRESIDENTIAL REPORTS TO THE CONGRESS ON SOVIET NONCOMPLIANCE WITH ARMS CONTROL OBLIGATIONS STRATEGIC NUCLEAR ARMS AGREEMENTS

Obligation	Issue/Report	GAC report December 2, 1983(1)	Interagency January 23, 1984(2)	Interagency February 11, 1985(3)	President June 10, 1985(4)
1972 ABM Treaty	Deployment of large Krasnoyarsk radar, neither on periphery nor oriented outward, 1981 to present.	Violation	Almost certainly a violation	Violation	Violation.
	Testing and deployment of mobile Flat twin ABM radar in 1975, and continuing development 1975 to present.	Do	Do	Potential violation	Do.
	Current testing of ABM and SAM components	Do	Do	Highly probable violations	Do.
	Deliberate concealment measures	Do	Do	Do	Do.
	ABM and ABM-related actions in preparation for defense of the national territory.	Do	Do	Potential violation	Serious cause for concern.

(1) Unclassified summary report of the President's General Advisory Committee on Arms Control and Disarmament, released October 10, 1984.
(2) Unclassified summary report of NSC Verification and Compliance Interagency Group. FY85 Arms Control Act.
(3) Unclassified summary report of NSC Interagency Group, FY85 Defense Authorization Act.
(4) Unclassified summary report of the President, "Building an Interim Framework for Mutual Restraint," FY85 Defense Authorization Act.

Note: The October 1985 Defense-State Department White Paper entitled Soviet Strategic Defense Programs states on page 8: "The silo-based [Moscow ABM] launchers may be reloadable."
The February, 1985 Report to Congress did not take an unclassified position on the ABM rapid reload issue. This statement entails confirmation of another probable Soviet ABM Treaty violation.

Mr. McCLURE. Mr. President the report of the President's General Advisory Committee on Arms Control and Disarmament declared the continued development of the flat twin mobile ABM radar a "violation," and the February 1, 1985 NSC-coordinated Presidential report termed as "highly probable violations" the concurrent testing of dual purpose ABM and SAM components. The GAC report, and the interagency reports of February 1985 and June 1985 all evaluate the Krasnoyarsk radar as an "outright," "direct," and "clear" "violation." And the last two reports—those of February and June 1985—term a "potential violation" and "serious cause for concern" Soviet ABM and ABM-related actions in preparation for illegal defense of the national territory of the Soviet Union,

Secretary of Defense Weinberger testified yesterday to the Senate Armed Services Committee that the evidence that the Soviet Krasnoyarsk Radar was a violation of the SALT I ABM Treaty was "incontrovertible." He added that our NATO Allies agreed, and expressed their own serious concerns about Soviet ABM Treaty violations.

Before considering whether to suspend the ABM Treaty in whole or in part, it is commendable that the executive branch has recently reviewed with care the scope of permissible activities under the ABM Treaty. If there are actions that are permitted, and that safeguard against additional and illegal Soviet ABM deployments, it is high time that the United States exercise its testing and development rights.

One Member of Congress called the outcome of this recent executive branch legal review "the most pernicious interpretation of a legal requirement since Plesy versus Ferguson," a now overturned Supreme Court case. On the contrary, the President and the executive branch are to be commended for their review of the scope and limits of the ABM Treaty duties. The interpretation of the ABM Treaty allowing research and development of ABM's based on "other physical principles," or SDI, is indeed "fully justifiable," as the President has decided. It was fully justifiable between 1972 and 1977, and it is fully justifiable today. The State Department's "restrictive" interpretation is simply wrong, and should be immediately discarded with the restructured, accelerated US SDI program.

BUILDING PRACTICALITY INTO SDI

The United States simply cannot afford to proceed without a more practical Strategic Defense Program. Soviet resistance to inclusion within the ABM Treaty instruments of any explicit limit on testing and development of "other physical principles" ABM systems has its benefits today. The United States and its NATO allies retain the opportunity to transform a long-range Strategic Defense Program that will deter no one into a practical development program.

Without an operating ABM system and without open ABM production lines, the United States has no other program that has any prospect of reestablishing a credible deterrent against further Soviet breakout from the ABM Treaty. Fixed, land-based ABM systems should be less survivable than mobile systems. But only by an ABM development program for those mobile systems that are lawful to develop, can the United States strengthen Soviet incentives for compliance with deployment limits. Otherwise, the United States will have strategic defense capabilities "too little, and too late." With the budget deficit what it is, defense research and development priorities must emphasize the practical and the attainable:

The fiscal year 1987 budget must accelerate development of components for fixed, land-based ABM systems;

More importantly, the fiscal year 1987 Strategic Defense Programs must establish a development plan for United States and NATO-coordinated development of mobile ABM systems and components based on "other physical principles," such as laser and directed energy systems;

The Secretary of Defense must, by appropriate legislation, be instructed to report to the Congress on development options for strategic defense systems, including effects of arms control obligations, and the design of strategic defense programs to strengthen incentives for mutual arms control compliance.

Mr. President, I ask unanimous consent that the following official U.S. Government documents interpreting the 1972 SALT I ABM Treaty be printed in the RECORD for reference purposes. These are excerpts from Documents on Disarmament 1972, an official U.S. Government Arms Control and Disarmament Agency publication. These excerpts include every single reference in that volume to "other physical principles" ABM systems under the ABM Treaty.

Every reference emphasizes that the regulatory line is drawn before deployment. Not once is the line drawn before development.

So the Senate that gave its advice and consent to ratify the 1972 SALT I ABM Treaty, and the Senate Foreign Relations Committee report that explained it, based its votes on a treaty-instrument derived set of limits and not on the wishful thinking of certain negotiations.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

[Enclosure 3 to Letter, Harris to Kunsberg, Oct. 1, 1985]

DOCUMENTS ON DISARMAMENT—1972

[News Conference Remarks by Presidential Assistant Kissinger and ACDA Director Smith: Strategic Arms Limitation Agreements, May 26, 1972]

DR. KISSINGER: Gentlemen, I thought that the most useful thing I could do was to give you a general background of these negotiations and of the President's view of the treaty, and Ambassador Smith, of course who has conducted the negotiations and brought them to this conclusion is in the best position to go through the details of the agreement.

First of all, let me say on behalf of the President that he certainly will take occasion to express personally that the reason we are here is the dedication and work of the delegation in Helsinki which has been led by Ambassador Smith. He has come here straight from the airport. He has been working on the final work of this agreement since 5:00 o'clock this morning. This concludes a rather hectic week for everybody who has been connected directly or indirectly with these negotiations.

Let me make a few general observations before I turn this over to Ambassador Smith.

Nothing that this Administration has done has seemed to it more important for the future of the world than to make an important first step in the limitation of strategic arms.

All of us have been profoundly convinced that to arrest the arms race is one of the over-riding concerns of this period. Now it is a subject of enormous technical complexity, and for the two great nuclear powers to make a beginning in putting their armaments under some restraint required political decisions and an enormous amount of technical work.

AMBASSADOR SMITH: * * * radar problems which some of you people perhaps felt we took too long in solving, but much of the time we have spent was in trying to wrestle with this radar problem to prevent the possibility of a nationwide system arising.

In addition to that, the two nations have made commitments not to even try for a thick or regional defense in one part of the country except as specifically permitted under the agreement; that is, to defend one's capital or to defend a relatively small number of ICBM silos.

So, although Article I looks like sort of a general statement, to my mind it is one of the most significant articles in the whole agreement.

Now, Article II defines what we are talking about and has a very important bearing on the whole question of what we call future ABM systems. This treaty has as a most significant aspect that it not only limits the present situation, but has a choking off effect on future systems which, under the terms of the treaty as we have reached understandings, futures will not be deployable unless this treaty is amended.

Article III is the heart of the treaty and deserves a great deal of study. I think we spent more time trying to wrestle with Article III than any other part of the treaty.

I will go into details later if you like, but it says both sides can have two sites with no more than 100 launchers at each site, with radar sharply limited; one site for the defensive capital and one for the ICBM's. The Soviets will agree to deploy the ICBM site well away from the capital site, so the possibility for a base of a nationwide system is very poor.

[Report by Secretary of State Rogers to President Nixon on the Strategic Arms Limitation Agreements, June 10, 1972]

DEPARTMENT OF STATE,
Washington, June 10, 1972.

The PRESIDENT,
The White House.

THE PRESIDENT: I have the honor to submit to you the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems (ABM Treaty) and the Interim Agreement between the United States of America and the Union of Soviet Socialist Republics on Certain Measures with respect to the Limitation of Strategic Offensive Arms (Interim Agreement), including an associate Protocol. It is my recommendation that the ABM Treaty be transmitted to the Senate for its advice and consent to ratification.

The Interim Agreement, as its title indicates, is an agreement limited in scope and time. It is designed to limit the aggregate number of intercontinental balistic missile (ICBM) launchers and submarine-launched ballistic missile (SLBM) launchers, and the number of modern ballistic missile submarines, pending the negotiation of a treaty covering more complete limitations of strategic offensive arms. In these circumstances, I am submitting to you the Interim Agreement and its Protocol (which is an integral part of the Agreement), with the recommendation that they be transmitted to both Houses of Congress for approval by a Joint Resolution.

The Interim Agreement can by its terms enter into force only upon the exchange of written notices of acceptance by both countries and only when and if the ABM Treaty is brought into force. Both signatories understand that, pending ratification and acceptance, neither will take any action that would be prohibited by the ABM Treaty or the Interim Agreement and Protocol, in the absence of notification by either signatory of its intention not to proceed with ratification or acceptance.

ABM TREATY

In broad outline, the ABM Treaty, signed on May 26, 1972, provides that:

A nationwide ABM deployment, and a base for such deployment, are prohibited;

An ABM deployment for defense of an individual region is prohibited, except as specifically permitted;

Permitted ABM deployments will be limited to two widely separated deployment areas in each country—one for defense of the national capital, and the other for the defense of ICBMs;

For these purposes no more than 100 ABM launchers and no more than 100 ABM interceptor missiles at launch sites may be deployed within each 150-kilometer radius ABM deployment area, for a total of 200 deployed ABM interceptors and 200 deployed ABM launchers for each Party;

ABM radars will be strictly controlled; radars to support the ABM defense of the national capital may be deployed only in a specified number of small radar complexes within the ABM deployment area; radars to support the ICBM defense will be limited to a specified number within the ABM deployment area and will also be subject to qualitative constraint.

In order to assure the effectiveness of these basic provisions of the Treaty, a number of detailed corollary provisions were also agreed:

Development, testing and deployment of ABM systems or ABM components that are sea-based, air-based, space-based or mobile-land-based are prohibited;

Deployment of ABM systems involving new types of basic components to perform the current functions of ABM launchers, interceptors or radars is prohibited;

The conversion or testing of other systems, such as air defense systems, or components thereof to perform an ABM role is prohibited.

The Treaty also contains certain general provisions relating to the verification and implementation of the Treaty and to further negotiations:

Each side will use national technical means for verification and the Parties agree not to interfere with such means and not to take deliberate concealment measures;

Development, testing, and other limitations

Article IV provides that the limitations in Article III shall not apply to ABM systems or ABM components used for development or testing, and located within current or additionally agreed test ranges. It is understood that ABM test ranges encompass the area within which ABM components are located for test purposes, and that non-phased-array radars of types used for range safety or instrumentation purposes may be located outside of ABM test ranges. Article IV further provides that each Party may have no more than a total of 15 ABM launchers at test ranges. The current United States test ranges for ABM systems are located at White Sands, New Mexico and Kwajalein Atoll in the Pacific. The current Soviet test range for ABM systems is located near Sary Shagan, Kazakhstan SSR. ABM components are not to be deployed at any other test ranges without prior agreement between the Parties.

Article V limits development and testing, as well as deployment, of certain types of ABM systems and components. Paragraph V(1) limits such activities to fixed, land-based ABM systems and components by prohibiting the development, testing or deployment of ABM systems or components which are sea-based, air-based, space-based, or mobile land-based. It is understood that the prohibitions on mobile ABM systems apply to ABM launchers and ABM radars which are not permanent fixed types.

Paragraph V(2) prohibits the development, testing, or deployment of ABM launchers for launching more than one ABM interceptor missile at a time from each launcher; modification of deployed launchers to provide them with such a capability; and the development, testing, or deployment of automatic or semi-automatic or other similar systems for rapid reload of ABM launchers. The Parties agree that this Article includes an obligation not to develop, test, or deploy ABM interceptor missiles with more than one independently guided warhead.

Future ABM systems

A potential problem dealt with by the Treaty is that which would be created if an ABM system were developed in the future which did not consist of interceptor missiles, launchers and radars. The Treaty would not permit the deployment of such a system or of components thereof capable of substituting for ABM interceptor missiles, launchers, or radars: Article II(1) defines an ABM system in terms of its function as "a system to counter strategic ballistic missiles or their elements in flight trajector", noting that such systems "currently" consist of ABM interceptor missiles, ABM launchers and ABM radars. Article III contains a prohibition on the deployment of ABM systems or their components except as specified therein, and it permits deployment only of ABM interceptor missiles, ABM launchers, and ABM radars. Devices other than ABM interceptor missiles, ABM launchers, or ABM radars could be used as adjuncts to an ABM system, provided that such devices were not capable of substituting for one or more of these components. Finally, in the course of the negotiations, the Parties specified that "In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty." (As explained below, Article XIII calls for establishment of a Standing Consultative Commission, and Article XIV deals with amendments to the Treaty.)

Undertakings in the ABM treaty

I would like to address first the ABM Treaty.

Under this treaty, both sides make a commitment not to build a nationwide ABM defense. This is a general undertaking of utmost significance. Without a nationwide ABM defense, there can be no shield against retaliation. Both great nuclear powers have recognized, and in effect agreed to maintain, mutual deterrence.

Therefore, I am convinced beyond doubt that the possibility of nuclear war has been dramatically reduced by this treaty.

A major objective of SALT has been to reduce the tensions, uncertainties, and high costs which flow from the upward spiral of strategic arms competition. While the cost savings from these first SALT agreements will be limited initially, over the long term we will save the tens of billions of dollars which might otherwise have been required for a nationwide ABM defense.

Furthermore, with an interim limitation on offensive weapons—which we hope will lead to a more comprehensive and permanent limitation—there will be a break in the pattern of action and reaction under which each side reacts to what the other is doing, or may do, in an open-ended situation. This cycle until now has been a major factor in driving the strategic arms race.

The heart of the treaty is article III, which spells out the provisions under which each of the parties may deploy two limited ABM complexes, one in an ICBM deployment area and one at its national capital. There can be no more than 100 ABM launchers, and 100 associated interceptors, at each complex—a total of 200.

The two ABM deployment complexes permitted each side will serve different purposes. The limited ABM coverage in the ICBM deployment area will afford some protection for ICBM's in the area. ABM coverage at the national capitals will permit protection for the national command authority against a light attack, or an accidental or unauthorized launch of a limited number of missiles, and thus decrease the chances that such an event would trigger a nuclear exchange. In addition, it will buy some time against a major attack, and its radars would help to provide valuable warning.

ABM radars are strictly limited. There are also important limitations on the deployment of certain types of non-ABM radars. The complex subject of radar control was a central question in the negotiations because radars are the long leadtime item in development of an ABM system.

The treaty provides for other important qualitative limitations. The parties will undertake not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based. They have also agreed not to develop, test, or deploy ABM launchers for launching more than one ABM interceptor missile at a time from each launcher, nor to modify launchers to provide them with such a capability; nor to develop, test, or deploy automatic or semiautomatic or other similar systems for rapid reload of ABM launchers; nor to develop, test, or deploy ABM missiles with more than one independently guided warhead.

Perhaps of even greater importance as a qualitative limitation is that the parties have agreed that future exotic types of ABM systems, i.e., systems depending on such devices as lasers, may not be deployed, even in permitted areas.

One of the more important corollary provisions deals with prohibiting the upgrading of antiaircraft systems, what has been called the "SAM-upgrade" problem. The conversion or testing of other systems, such as air-defense systems or components thereof, to perform an ABM role is prohibited as part of a general realistic assessment of the merits of the two agreements taken together.

The treaty contains a general commitment not to build a nationwide ABM defense nor to provide a base for such defense. This general undertaking is supplemented by certain specific provisions. By this general undertaking and the specific commitments, both countries in effect agree not to challenge the effectiveness of each other's missile deterrent capabilities by deploying widespread defenses against them. This means that the penetration capability of our surviving deterrent missile forces can be assured. This, to my mind, bears directly on concerns about a first strike against the United States. As long as we maintain sufficient and survivable retaliatory forces, this new assurance of their penetration capability makes "first strike" as a rational act inconceivable, in my judgment. I believe that this is a development of prime significance for U.S. security.

The treaty, by permitting only a small deployment of ABM's tends to break the offense-defense action-and-reaction spiral in strategic arms competition. The low ABM limits increase the deterrent value of each of our retaliatory offensive missiles. In the long run, we should be able to obtain more deterrence at less cost.

In view of the low ABM levels agreed on, it should be possible in the future to agree on mutual reductions in offensive weapons without impairing strategic stability.

The permitted ABM systems are spelled out in article III. Each party may have two ABM complexes, one in an ICBM [intercontinental ballistic missile] area and one to defend the national command authority. These complexes are limited in several ways—geographically, in numbers of ABM launchers and missiles (100 at each complex), and in specific constraints on ABM radars.

The two ABM deployments would serve different purposes. ABM coverage of an ICBM area will afford some protection for the ICBM's. ABM coverage at the national capital will provide protection for the national command authority against accidental or unauthorized launch of a small number of missiles and is consistent with the basic purpose of the 1971 U.S.-U.S.S.R. agreement on measures to reduce the risk of outbreak of nuclear war. There would also be the additional benefit of increased warning time which should afford opportunity for command decisions if there were a large-scale attack.

Other articles in the treaty supplement the basic provisions of article III. Of special interest are the limitations placed on ABM radars. As the long leadtime item in development of an ABM system, ABM radar was the subject of intense and complex negotiation. There are also limitations on the deployment of certain types of non-ABM radars in order to preclude their possible use as elements of an ABM system.

Qualitative limitations on ABM systems

As a further restraint on ABM capabilities, there are three significant qualitative limitations on ABM systems. Both sides have agreed not to develop, test, or deploy ABM launchers for launching more than one interceptor missile at a time, not to modify launchers to provide them with such capability, nor to develop, test, or deploy automatic or semi-automatic or other similar systems for rapid reload of ABM launchers.

The development and testing, as well as deployment, of sea-, air-, space-based, and landmobile devices is prohibited. Of perhaps even greater importance, the parties have agreed that no future types of ABM systems based on different physical principles from present technology can be deployed unless the treaty is amended.

To further reinforce the ban on a nationwide ABM defense, another major set of qualitative limitations is the provisions to deal with the SAM-upgrade [surface-to-air missile] problem. Both sides agree that conversion or testing of other systems, such as air-defense systems, or components thereof, to perform an ABM role is prohibited. This is part of the general undertaking not to provide an ABM capability to non-ABM systems.

I do not propose to speak about the confidence with which we can adequately monitor fulfillment of the obligations of these agreements, since I understand that this committee has discussed with previous witnesses the capabilities of our national technical means of verification. We did not work out limitations and then check to see if national technical means were adequate to verify them. We tailored the limitations to fit the capabilities of national technical means of verification.

There is a landmark commitment not to interfere with national technical means of verification. This provision would, for example, prohibit interference with a satellite in orbit used for verification of the treaty. The treaty also contains a commitment not to use concealment measures so as to impede the effectiveness of national technical means of verification. The world should be a more open place as a result of these two undertakings.

The Standing Consultative Commission established by the treaty will permit consideration on a regular basis of the operations of the treaty, including questions of compliance. This is a significant new development in Soviet-American arms control arrangements. The Commission will also have the function of considering proposals to increase the viability of the treaty. We expect that the establishment of the Commission will be a priority matter when SALT II begins.

Although the treaty duration is unlimited, either party can withdraw whenever it decides that extraordinary events relating to the subject matter of the treaty have jeopardized its supreme interests. A six-months' notice of such withdrawal, including a statement of the extraordinary events involved, is required.

SALT AGREEMENTS: CONTRIBUTE TO STRATEGIC BALANCE

The two agreements reached as a result of the ensuing year of negotiating on these difficult questions will contribute to maintaining a stable strategic balance and thereby reduce the likelihood of nuclear war.

In the ABM Treaty, both sides have committed themselves not to build nationwide or heavy ABM defenses. The importance of this undertaking is fundamental. It places both sides in a position where neither will have a substantial defense against major missile attacks. In effect, we agree to maintain mutual deterrence.

I am convinced that the possibility of nuclear war has been dramatically reduced as a result of the ABM Treaty.

BASIC PROVISIONS REVIEWED

I think it would be useful now, Mr. Chairman, for me to run through some of the basic provisions of the two agreements. I will not go into detail since the committee has before it the documents transmitted by the President, which include a detailed article-by-article analysis.

As I said at the beginning, at the conclusion of my remarks, Ambassador Smith will be glad to join with me in answering questions.

Our aim in both agreements has been—where necessary—to put detailed obligations in the texts of the agreements themselves.

If one of the sides had a preference for including clarifying material or elaboration in agreed interpretations, and this was sufficient, that approach was used.

The agreed interpretations include initialed statements and other common understandings. They have been included in the President's transmittal package to the Congress.

The transmittal package also included formal unilateral statements of U.S. views in certain cases where agreement could not be reached. There are, Mr. Chairman, and I want to make it clear, there are no secret agreements.

What we have submitted to the Congress represents the agreements that were reached between the Soviet Union and the United States.

THE ABM TREATY

Let me start with the ABM Treaty. It is a definitive agreement of unlimited duration, the central feature of which is the commitment by both sides to no more than a low level of ABM defenses, at two small and widely separated locations.

The treaty permits deployment of one ABM complex in an ICBM deployment area, and one for defense of the National Command Authority. There can be no more than 100 ABM launchers and an equal number of associated interceptors at each complex, for a total of 200.

Strict limitations are placed on ABM radars, a matter of particular importance since radars are the long leadtime item in deployment of an ABM system.

Important limitations are also placed on deployment of certain non-ABM radars to contain their potential for application to an ABM role.

Because of the technical complexity of the radar issues, intense and protracted negotiation was required to resolve them.

QUALITATIVE LIMITATIONS ON ABM'S

The commitment to low ABM levels is further enhanced by several important qualitative limitations. We and the Soviet Union have agreed not to develop, test, or deploy:

1. ABM systems or components that are sea based, air based, space based, or mobile land based;

2. Automatic or semiautomatic or other similar systems for rapid reloading of ABM launchers;

3. An interceptor missile with more than one independently guided warhead; and

4. An ABM launcher capable of launching more than one interceptor missile at a time from each launcher, or to modify launchers to give them such a capability.

Such undertakings are important. It may be of even greater importance that both sides have agreed that future types of ABM systems based on different physical principles, for example, systems depending on such devices as lasers, that do not consist of ABM interceptor missiles, launchers, and radars, cannot be deployed even in permitted areas. So there is a limitation on what may be deployed in the ABM systems now in operation and it prohibits the deployment of new esoteric systems in these areas.

I might note, Mr. Chairman, that limiting ABM's to these low levels will increase the deterrent value of each of our offensive missiles for retaliatory purposes. In the long term it should be possible to achieve greater deterrence at a lower cost.

One of our principal aims in SALT has been to reduce tensions, uncertainties, and high costs which go hand in hand with an upward spiralling strategic arms competition.

We could have maintained a strong strategic posture without the SALT agreements, but in that event, beyond continued expeditures for maintaining a sufficient defense posture in the circumstances of a very low level of Soviet ABM deployment, there would have been heavy pressures as a result of unconstrained arms competition to spend additional billions of dollars for widespread ABM systems and greater offensive forces.

COST SAVINGS FROM SALT AGREEMENTS

Cost savings from these first SALT agreements will be limited initially. It is not possible to predict when particularly significant savings can be achieved, but this is certainly our aim. * * *

[Statement by ACDA Director Smith to House Armed Services Committee, July 25, 1972.]

* * * will be afforded by the ABM coverage permitted for ICBM defense. Protection for the National Command Authority against an accidental or unauthorized launch of a limited number of missiles will be made possible by the ABM coverage at the National Capital; this will decrease the chances that such an attack might trigger a general nuclear exchange. The National Capital ABM complex would also afford a short time for decisionmaking in the event of a major attack.

To assure that these two complexes do not form the beginning of a base for a nationwide system, the two sides agreed that they must be separated by a distance of at least 1,300 kilometers. This separation requirement assures that the second Soviet ABM site will be east of the Ural Mountains.

ABM radars are an essential element of an ABM system and are the long-lead-time item in development of an ABM system. The question of limitations of radars—a highly complex subject—occupied a great deal of time in the negotiations. Specific limitations on ABM radars are spelled out in the treaty. In addition, there are limitations on the deployment of certain types of non-ABM radars in order to preclude the possibility of their use as elements of an ABM system.

In order to assure further that there would be adequate restraints on ABM capabilities, the treaty provides for significant qualitative limitations on ABM systems.

The very low quantitative limitation of 200 ABM launchers for each side cannot be circumvented through qualitative changes. The two sides have agreed not to develop, test, and deploy ABM launchers for launching more than one interceptor missile at a time, not to modify launchers to provide them with such a capability, nor to develop, test or deploy automatic or semiautomatic or other similar systems for rapid reload of ABM launchers.

An additional important qualitative limitation is the prohibition on the development and testing, as well as deployment, of sea, air, space-based and land-mobile ABM systems and components.

Of even greater importance as a qualitative limitation is the prohibition on the deployment of future types of ABM systems that are based on physical principles different from present technology.

On this point, Mr. Chairman, there is an agreed interpretation with respect to ABM systems based on different physical principles, and including components capable of substituting for those components used at present—that is, launchers, missiles and radar components. If such new systems are developed, and one or the other side wants to deploy them under the limitations of this treaty, there would have to first be a discussion of the question in the Standing Consultative Commission we are proposing to establish under this treaty, and then the treaty would have to be amended before such novel ABM systems could be deployed.

To avoid possible circumvention of the ban on a nationwide ABM defense through developments in non-ABM systems, for * * *.

[House Foreign Affairs Committee Report on the Agreement to Limit Strategic Offensive Weapons, Aug. 10, 1972.]

* * * negotiators alternated sessions between Helsinki, Finland, and Vienna, Austria, working out the details of the accords.

During the period of negotiations the Committee on Foreign Affairs was being kept fully abreast of developments. The committee chairman assigned the Subcommittee on National Security Policy and Scientific Developments as a forum for regular briefings on progress of SALT. Ambassador Gerard Smith, chief U.S. negotiator, or his representative briefed the subcommittee nine times during the 30-month negotiating period. In addition, SALT-related briefings were scheduled with officials of the Central Intelligence Agency and the Department of Defense. Several committee members actually visited the sites of the talks for special briefings. Other committees of the House and Senate similarly have availed themselves of the opportunity to be informed about, and consult on, the SALT negotiations.

In fact, the willingness of the Executive to be candid about the U.S. negotiating position and developments at SALT, together with the unblemished record of the Congress in keeping confidential the sensitive information imparted to it, have established a model of executive-legislative cooperation which might well be emulated in other areas related to national strategic policy.

THE SALT ACCORDS

The SALT accords consist of (1) a treaty limiting antiballistic missile systems[4] and (2) a five-year interim agreement which freezes the overall levels of strategic offensive missile forces pending further negotiations which are to begin in October. There is also a protocol to the interim agreement, and a number of statements of "interpretation," some agreed and some unilateral. The texts may be found in House Document 92-311.

As is customary, the treaty was sent to the Senate for its "advice and consent," while the interim agreement on offensive strategic arms has been submitted to both Houses for approval. Although the House of Representatives is being called upon to pass on only the interim agreement, the two accords are

so closely linked that an understanding of both is essential. A summary of the main provisions of each follows:

THE ABM TREATY

Each country agrees not to build an ABM system which could defend its entire territory or a major area thereof. In effect, as Secretary of State Rogers told the committee, both sides are placed in a position where neither would have a substantial defense against major missile attacks. Thus, the current mutual deterrent balance would be maintained.

Each side will limit ABM systems to two sites-one in defense of its national capital, the other in defense of an intercontinental ballistic missile (ICBM) field. Sites must be at least 1,300 kilometers (800 miles) apart. That means the Soviet ICBM field to be protected must be east of the Ural Mountains, away from major western U.S.S.R. population and industrial centers.

No more than 100 ABM launchers and 100 interceptor missiles may be deployed at each site.

Limitations are set on numbers, types, and placement of ABM radars to foreclose establishment of a radar capability for nationwide or regional defense of either country.

The two nations additionally agree to ban development, testing or deployment of sea-based, air-based, space-based or land-mobile ABM system. Nor will they deploy ABM systems or components based on new technology without prior discussion and amendment of the treaty. The parties also agree not to convert air-defense systems to an ABM role, or to build early warning radars except along the edges of each country facing outward. Both pledge not to transfer ABM systems to other states or deploy them overseas.

Each party will use its own "national technical means of verification," such as observation satellites, to monitor compliance with the accords. Each pledges not to interfere with those means or resort to deliberate concealment. There is no onsite inspection.

A Standing Consultative Commission will be established to promote implementation of the agreements and to handle questions concerning them, including compliance issues.

The treaty is of unlimited duration but either side may withdraw upon 6 months' notice to the other party that its "supreme interests" have been jeopardized.

The treaty would require the United States to cut back it ABM program from the four sites which have been approved by Congress to a maximum of two. Plans are to finish the ABM site at Grand Forks, N. Dak., which is closest to completion. Work has been halted at the other three sites and Congress has been asked to approve an ABM site for Washington, D.C. The Soviets are permitted to complete the ABM site already under construction around Moscow and to start a second site at an ICBM field.

[12th Annual Report of the U.S. Arms Control and Disarmament Agency, Jan. 31, 1973]

STRATEGIC ARMS LIMITATIONS TALKS

After two and a half years of intensive negotiations, backed by searching analyses and studies, two landmark agreements—the most important to be reached in the history of arms control negotiations—were achieved in May 1972. They are the Treaty on the Limitation of Anti-Ballistic Missile Systems and the Interim Agreement on Certain Measures With Respect to the Limitation of Strategic Offensive Arms. These agreements are the most substantial steps yet taken toward curbing the arms race, and bringing about a condition of strategic stability.

ABM Treaty

The ABM Treaty is a definitive long-term agreement which contributes in a fundamental way to our security. The possibility of nuclear war has been dramatically reduced by this Treaty. It sets forth at the outset the joint commitment not to build a nationwide ABM defense nor provide a base for such defense. In this undertaking both countries have, in effect, agreed not to challenge the credibility of each other's deterrent missile forces by deploying a widespread defense against them. This is the central consequence of this Treaty, and its importance to avoidance of nuclear war cannot be overestimated. Both major nuclear powers have agreed that they will not attempt to build a shield against penetration by the other's missile forces which serve to deter nuclear attack.

The ABM Treaty limits the United States and the Soviet Union to two ABM sites each—one for the protection of the national capital, and the other for the defense of an ICBM complex. At each site, there can be no more than 100 ABM launchers and 100 associated interceptor missiles. In addition to numerical limitations on ABM launchers and missiles at each complex, the areas permitted for ABM deployment are limited geographically and in size.

To assure that these two complexes do not form a basis for a nationwide ABM system, the two sides agreed that they must be separated by a distance of at least 1300 kilometers (800 miles). In addition, each ABM system deployment area is restricted to a radius of 150 kilometers (94 miles).

ABM radars are an essential element of an ABM system and are its long-lead-time component. Defining appropriate limits on ABM.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, I yield to the Senator from Indiana.

Mr. QUAYLE. Mr. President, I rise to congratulate my friend and distinguished colleague from California for once again bringing to the Senate's attention the importance of the meeting that will be taking place in Geneva between President Reagan and Mr. Gorbachev. I believe he very accurately pointed out five principles that we ought to be concerned about as we approach this very sensitive and important summit.

Mr. President, this is a continuation of a discussion that began last week. I think what precipitated the discussion was the administration's decision to adhere to a narrow, incorrect interpretation of the ABM Treaty. Many felt that this was the beginning of the chipping away of SDI, which the President has strongly supported, which this Senator and others have strongly supported. Senator WILSON has laid out an approach that I hope the administration will follow as they look toward Geneva. I might point out that the President's speech to the United Nations, which I thought was perhaps one of the best he has ever made, laid out in very precise terms how he was going to approach Geneva. He pointed out the regional stability problems, he pointed out the compliance problems, and he pointed out some of the problems that we have in the area of arms control. Just yesterday the President once again reaffirmed those principles. He has developed some specifics on how we can get better stability. He is talking about deep reductions but he is also talking about compliance and moving ahead with developing defense technologies.

Mr. President, I would like to concentrate a moment on the importance of the strategic defense initiative. As I travel around my State and talk to people about arms control and where we ought to be going as a nation, many people are absolutely shocked to discover that the United States really does not have any defense capability against the Soviets; large offensive forces. They really believe that we already have defenses against the Soviets' missiles and planes. I would imagine, if you think for a moment, without knowing the precise details, common sense would suggest that we ought to have such defenses. Unfortunately, we have instead relied upon the threat of offensive weapons to provide for deterrence. We have been very fortunate that that has worked for a number of years. But we all lament the fact that we have had a hair-trigger type of situation, with the instability of perhaps going to a first strike or what we keep hearing on this floor, a use-it-or-lose-it type of strategy. What we are looking for in the strategic defense initiative are defenses that could begin to provide additional deterrence instead of relying entirely on offense forces for this task.

Now, let us face it. We are never going to be able to compete with the Soviet Union in offensive capability, whether it is conventional or strategic. They are going to build more tanks, more mortars, more planes. They are going to have more missiles. They are going to have more of everything. In offensive capability, we have certain constraints, whether it is political or resource allocation, and we are not going to be able to match them on an offensive basis, no matter how far we try to build up. Where we do have a distinct advantage is defensive capability because effective defensive capabilities depend on high technology.

What we can do in that capacity is superior to the Soviets because of our inherent productivity, our advantages in technological capability, our innovation, our free enterprise system, our entrepreneurship. You talk about new small businesses starting up, they are going into this business. Kids—I have three small children—are learning about computers in the school system, growing up in this area. Our desire and willingness to innovate and to

devise new technologies gives us a tremendous advantage over the Soviets. So when we try to provide for the survival of this country, why not do what we are best suited to do? We are suited to come forth with new technology, we are best suited to look to the future. We have had deterrence based on offensive forces. This deterrence has worked but that does not mean that it is necessarily going to work for the next 20 years and, by golly, we better start thinking about moving forward. There is no doubt about it, SDI does move forward and does provide a defensive capability. It is an important step and I hope—and I anticipate—that the President would not see this as a bargaining chip. This is not a bargaining chip. This is something that is in the best interest of this country.

This is not something where you sit down and say, "Well, we are going to give it up." It is something that gives us great hope for stability and deterrence in the future.

Mr. President, as we look at the strategic defense initiative, I think we would like to get beyond the research and testing and development and eventually we want to deploy it. We are not just researching never to deploy. We want to deploy. A lot of people say, "Well, when will you deploy?" After the 1990's, it is said, in broad terms, but I would think particularly as we go to Geneva and we talk with our allies, we ought to consider that the best and earliest deployment of any kind of missile defenses might not necessarily take place in this country first. As a matter of fact, I think perhaps the first deployment would take place in Europe because the Europeans are really threatened right now against intermediate ballistic missiles of the Soviet Union, the SS-21's, the SS-22's, the SS-23's, the ones that have conventional and chemical capability, not to mention the strategic capabilities of the Soviets' SS-20's. I am looking at the conventional and chemical capabilities. We have no defensive capability in Europe against these missiles now. The Soviet Union has a defensive capability against ballistic missiles, I might add. They already have an ABM system deployed and have deployed antitactical ballistic missiles as well. Of course, sometimes we think, well, perhaps we should not do what the Soviets have already, in fact, done. But I think as we look at what missile defenses to deploy, deploying antitactical ballistic missiles in Europe probably would be the first logical step and it is something that does not have to be negotiated; we just need to go forward, certainly within the confines of anybody's interpretation of the ABM Treaty.

I think that there is, in fact, great promise as we move forward in this arena.

Mr. President, beyond the need to move ahead with SDI, the President has also rightly emphasized the desirability of first, negotiating deep offensive missile cuts, second, demanding Soviet compliance to existing arms control agreements, and third, securing regional stability.

The last of these points is critical. As the President noted, "staking our future on a precarious balance of terror is not good enough. The world needs a balance of safety * * * a peace based on averting our eyes from trouble cannot be true peace."

The balance of safety must be established by resolving the regional conflicts and the revolutionary conflicts within nations that currently threaten larger conflict. These wars—in Afganistan, Cambodia, Ethiopia, Angola, and Nicaragua—are currently fueled by Marxist ideology and Soviet and Cuban military aid.

By calling for a process of negotiation among the waring parties in these countries, the President is simply focusing attention where it belongs most—on resolving conflicts where they currently reside.

This is not to say that the President is unconcerned about efforts to control nuclear weapons. He is. Indeed, it is precisely because he is anxious to avert their possible use that he has focused our attention on the need to eliminate the regional catalysts of war.

Beyond this, though, he has demanded that our arms control negotiations focus on eliminating the Soviets' clear superiority in heavy, accurate, first-strike ballistic missiles such as the SS-17's, SS-18's, and SS-19's. It is these forces, after all, that have caused the great concern about Soviet intentions and above their efforts to develop a national ballistic missile defense system.

In fact, the Soviets now have the capacity with their offensive ballistic missile forces to threaten all of our missile silos, submarine bases, national command and control centers, and most of our bomber bases in a first strike. Unless we adopt a destabilizing launch-on-warning strategy, a Soviet attack might only leave bombers and submarines at sea to retaliate and these weapons might largely be defeated by Soviet air defense and a crude national ABM system. This is clear reason why we need defensive capability.

The United States, of course, does not have any missile defense and virtually no continental air defenses. More important, the United States does not have a first-strike missile force nor does it plan to have one. Indeed, even if all of the President's proposed strategic force modernization program was completed today, the United States would still only have enough weapons to survive a Soviet first strike and to limit the Soviets' ability to make further strikes. If we were serious about securing a first-strike force, we would need enough ballistic missile warheads to target all of the Soviets' strategic forces—missiles, bombers, bases, command centers. That is, we would need to have several times the number of warheads that even our most ambitious plans might provide.

The President has tried to correct this Soviet offensive force asymmetry. In fact, this was the purpose of his START proposal to reduce Soviet ballistic missile warheads from at least 9,000 to 5,000 and to focus most of these reductions on the Soviets' heaviest, most accurate missiles by calling for a cut in Soviet land-based missile warheads from over 6,400 to 2,500. The President's most recent proposal would go further. It would call for a ballistic missile warhead ceiling of 4,500.

This, then, brings us to the last of the President's additional points that there can be no arms control without compliance. Soviet behavior has not been good on this score. In fact, they have managed to violate no fewer than seven major arms control agreements. In the case of biological and chemical weapons, these violations have resulted in hundreds and thousands of deaths both within the Soviet Union and in Cambodia and Afghanistan. Beyond this, the Soviets have violated the SALT II limits by deploying the SS-25 and by encrypting essential verification telemetry information.

The most serious Soviet arms control violations, however, are those concerning the 1972 ABM Treaty. Here they probably violated the treaty's ban on mobile or transportable radars, clearly have on testing air defense radars in conjunction with ballistic missile flights, and almost certainly have on deploying or testing automatic rapid reload ABM launchers. Finally, and most important, they clearly have violated the treaty's prohibition against deploying early warning radars except along the periphery of their national territory and oriented outward. In a word, the Krasnoyarsk phased array radar is a battle management radar, not a warning radar, and is clear indication that the Soviets are working toward a national ABM system.

Certainly, we must demand Soviet compliance to existing arms control agreements before moving on to make more treaties. But in addition, we must be prepared for the possibility of further violations. Certainly, in case of ambiguous violations, we ought not to bind ourselves to stricter interpretations of what the treaty allows than what the Soviets themselves are acting upon.

In the case of the ABM Treaty it means something more—being prepared to deploy a national ABM

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system if the Soviets should continue to break the treaty and move further toward a national ABM system themselves. Admittedly, this is serious business but then so too are Soviet actions. Again, if we allow the Soviet to deploy a national ABM system and do not limit their heavy, accurate first-strike missiles, our security and that of the world will be at stake.

Mr. ARMSTRONG. Mr. President, in the near future President Reagan will go to Geneva to meet with the leader of the Soviet Union, Mikhail Gorbachev, in the hopes of doing whatever might be possible to ensure a lasting peace and to secure the freedoms we all hold so dear.

The fact that we are willing to discuss all issues separating the United States and the Soviet Union, despite the deep—indeed, irreconcilable—differences between us, is a measure of the genuine commitment to peace of our Nation and of this administration. Even despite the repeated atrocities and acts of aggression committed by the Soviets in pursuit of the goals dictated by their Communist ideology, we again show ourselves willing to go that last mile to further the cause of peace.

Soviet goals for the Reagan-Gorbachev meeting, it appears, are not so idealistic. On the contrary, it seems the main reason they are willing to talk to us, to reverse their decision not to negotiate on arms, is the President's strategic defense initiative. This program holds the promise of abandoning once and for all the absurd notion of "mutual assured destruction" and, instead, ensuring our survival and that of our friends. Indeed, we have even offered to discuss sharing of research with the Soviets as a step toward replacing offense with defense, destruction with survival, swords with shields.

There is only one way this threatens the Soviet Union: a successful American program of strategic defenses reduces to nought a continuing Soviet effort to achieve a first-strike capability over us. They are not threatened, but their aggressive designs are. Consequently, the Soviet leaders and their international propaganda apparatus have pulled out all the stops to denounce the so-called star wars and the U.S.-instigated "militarization of space"—as if the Soviets were not themselves well along on their own research program, one designed to complement their offensive arsenal.

The heart of this propaganda effort is to bill President Reagan's meeting with Mr. Gorbachev as a "star wars summit"—as if that is all there is to talk about. Not only does such a view fall into the trap of accepting the Soviet agenda, but it erroneously treats arms and military hardware as the cause of United States-Soviet conflict.

This view is of course a complete inversion of the truth. We do not have trouble getting along with the U.S.S.R. because we are both armed: On the contrary, we are both armed because we have radically different views of what human life is all about. We are for freedom. They are a totalitarian Communist regime that denies their people the most elementary of human rights and is driven to impose the same system of slavery, atheism, poverty, and unhappiness on all other countries. And because we resist them, there is conflict, there is tension.

That is why the set of principles set out by my friend, the Senator from California, is so important. Echoing an earlier set of 14 points championed by a President of the same name, these five "Wilson principles" in my view sum up the interests of the United States and reflect American values as we go into these discussions. I hope they will guide us in all future contacts with the Soviets and will be the criteria by which we in the Senate will judge any future treaties with them. I am heartened to see that the President, in his speech before the United Nations, made some of the same points.

To begin with, we must consciously insist for our part that all negotiations or agreements must predominantly focus on the United States agenda, not the Soviet agenda. Any agreement or negotiation which focuses on the Soviet agenda is not in our country's best interests. This is a simple point but an essential one: if we do not know what we want in any negotiations, we will not achieve anything of value. If we do not look out for our own interests, the Soviets will hardly do so on our behalf. We must put a halt to our usual tendency to enter talks negotiating with ourselves, as if we were obliged to take a neutral view of what we want and what they want.

Second, any negotiation or agreements must link arms reductions with human rights, terrorism, regional aggression, subversion, and espionage. Again, President Reagan was right on the mark when he took the Soviets to task at the United Nations for their various acts of aggression around the world. We cannot trust in Soviet willingness to relax their aggressive preparations against us if they and Communists around the world continue their aggression against other free countries. We cannot trust the Soviets on nuclear arms if they continue to arm, train, and support the terrorist international. We cannot trust them when they talk peace with us when they continue their violence against the unfortunate human beings subject to their rule. We cannot trust their public declarations of peace when they continue their covert war of subversion and espionage against us.

Third, all negotiations or agreements must discuss and impose strict requirements on verifications of Soviet performance. This is common sense which has been too uncommon in our sorry history of arms control negotiations with the Soviets. Experience shows when they think they can get away with cheating, they cheat. A treaty the Soviets think they can violate with impunity but which we must live up to is the worst of all possible outcomes to any talks.

Fourth, and closely related, new negotiations and agreements must consider and redress Soviet noncompliance with existing treaties. We cannot hope to build a firm edifice for peace on a faulty foundation. If the Soviets are sincere about genuine reductions, they will come clean about their past breaches of faith with us.

Fifth and finally, negotiations and agreements must not hinder or prevent our ability to pursue research, development, testing or future deployment of systems that could defend the American people and our allies from nuclear weapons. The first responsibility of any government is to secure the lives of its citizens. For too long our Government has been derelict in this, its greatest task, preferring instead to leave us unprotected from Soviet weapons in the fatuous hope that the mutuality of any future nuclear holocaust would deter an attack. Even if in theory this mutuality of destruction were a guarantee of peace, the Soviets have long demonstrated by word and by deed that they don't buy the idea. As the President quoted a former Soviet leader, Alexei Kosygin, the Soviets believe in their right to defend their citizens—killing of Soviet citizens is apparently a state monopoly, as with other forms of enterprise in socialist countries. They have long been working on missile defense. Whether we proceed with defense or not, we have every reason to believe that the Soviets will continue in this endeavor. We, as Senators elected by the American people to safeguard their lives, have a sacred obligation to do no less on their behalf.

These are the "Wilson principles." They contain no technical mumbo-jumbo, there is nothing duplicitous about them. They are an appeal to the administration and to this House to stick by our most basic responsibilities to the American people and to world freedom. I urge all Americans to understand them and support them.

Mr. WILSON. Mr. President, I thank my friends from Idaho and Indiana and Colorado for their contribution this morning and for their very generous comment about the principles which I set forth in addressing this body on October 22. That was 2 days before the President addressed the United Nations. As Senator ARMSTRONG has noted in his remarks, it is heartening to see that the President subscribed to one of the principles

that I addressed by making the subject of his comment at the United Nations one that very clearly and in very straightforward fashion addressed the linkage that exists between a regional conflict that has been sponsored by the Soviet Union and the entire host of problems and tensions that beset our relationship. I am confident that this same attitude will guide the setting of the agenda for the meeting between President Reagan and Premier Gorbachev in the upcoming talks in Geneva.

I think, Mr. President, that the Senator from Indiana, in his remarks today, has given wise counsel not only to this President but to all who succeed him not only with respect to that technology about which we have knowledge at the present time but I think what he is making clear is the terrible mistake we make if, not knowing what promise the future holds in terms of our ability to defend against nuclear attack, we were, simply to obtain agreement, to eschew the possibility of gaining that new technology and all that it promises in the way of peace and peace with freedom.

We cannot give that point too much emphasis; we cannot give that too much time.

Mr. President, I would add but one thing to the remarks that have been made this morning: In thanking my friends and colleagues, I think I can speak for them in saying that we would agree on another principle, and that is the principle of the necessity for American patience in our dealings with the Soviets. Lest I be misunderstood, the patience to which I refer is not patience with their outrageous conduct. Very much to the contrary, it is the patience we will need—the moral stamina, the staying power—to make clear to them that they cannot outlast the United States either in an economic contest or in a military contest or in a contest of wills where we insist upon peace and where they seek their goal of world hegemony.

I think that point needs underscoring, simply because in our honest and earnest eagerness for peace, Americans are often misunderstood by those who negotiate for the Soviet Union. They think that our eagerness is such that we will make an agreement for the sake of the agreement.

Mr. President, we must make agreements that we can verify—that is, agreements under which Soviet performance is absolutely verifiable. We must make agreements that are in the interests of the United States and the interests of world peace. We must drive very hard bargains. We are not exempt from either contact or actual negotiations with the Soviet Union. A fact of life is that we share a planet with another superpower, one that not only does not share our view of what the world should be but also one that has advanced and demonstrated, by aggression and sponsorship of regional conflicts, dangerously different attitudes.

However, because we insist that peace be accomplished by freedom, we must also have the kind of stamina and staying power that an American patriot many years ago described as precluding summer soldiers or sunshine patriots.

I think that were he alive today, he would counsel us: "Go to the tables; drive a hard bargain. If they will not bargain on the very fair terms you set forward, then make clear to them they are engaging in another contest, a contest of wills that they cannot win."

That is the sort of patience American negotiators, supported by the American people, must display.

Mr. President, I yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I thank my colleague from California for yielding. Once again, I commend him for setting forth some fine and sound principles for negotiation of agreements for the impending summit conference, for the ongoing conferences on disarmament to which we are a party. I think that the statements he has made and the principles he has outlined are absolutely essential to the future security of this country.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business.

SUCCESSFUL COMPLETION OF THE IAEA AND NPT TREATY CONFERENCES

Mr. McCLURE. Mr. President, several important events occurred last month that received little attention other than brief reports in a few trade publications. However, these events have major significance for the future of nonproliferation.

First, in mid-September, the third Nonproliferation Treaty [NPT] Review Conference ended with the international community solidly endorsing the International Atomic Energy Agency [IAEA] and its activities, particularly the IAEA safeguards, and their importance and value in helping to strengthen the collective security of the parties to the NPT. Contrary to predictions that this Review Conference would be deadlocked and unproductive, the final declaration adopted by a consensus of 86 states was highly supportive of both the treaty and of the indispensible contributions IAEA makes to the treaty's implementation. This very positive outcome of the NPT Review Conference should help the treaty retain the allegiance of its current parties and attract significant new parties to the treaty. It also greatly improves prospects for the extension of the NPT beyond 1995.

Immediately following the NPT Review Conference, the General Conference fo the IAEA met in Vienna, Austria, and adopted a resolution that should serve to put behind us once and for all, the divisive Israeli issue. Resolution 765, submitted jointly by Denmark, Finalnd, Iceland, Norway, and Sweden, was based on a letter Israel submitted to IAEA Director-General Hans Blix, and an Israeli statement to the General Conference. It held that the letter and the statement "reconfirmed" that Israel, under its stated policy, will not attack or threaten any nuclear facilities devoted to peaceful purposes either in the Middle East, including Iraq or anywhere else. It also recognized IAEA safeguards as evidence of the peaceful nature of a nuclear facility, and reaffirms that any attack on a peaceful nuclear facility subject to IAEA safeguards would constitute a serious threat to the safeguards system of the IAEA.

Earlier, the Conference had defeated a resolution introduced by Iraq and others which held a contrary view and would have implemented penalties effectively impairing Israel's membership rights and privileges in the IAEA.

Thus a satisfactory resolution has been achieved at the IAEA on the Israeli issue which has distracted the United States in its relations with that Agency for the past 4 years.

In addition, one of the agency's newest members, China, reinforced its commitment to the agency and its safeguard functions. During the General Conference, China formally announced its intent to offer some of its civilian nuclear installations to the IAEA for safeguards inspection. With this announcement, China joined the other four nuclear weapons states in submitting civilian nuclear facilities to international control.

Thus, the international community has solidly and strongly demonstrated broad support of the IAEA. The time is ripe for the United States to strengthen the IAEA in all facets of its nonproliferation role by making constructive proposals and taking supportive actions. There is much that must be done in improving its personnel, the credibility of the safeguards system, the effectiveness of the technical assistance activities, and the development and implementation of programs relating to waste management, plutonium storage, and similar matters.

It is in the national self-interest of the United States to do everything possible to stop the further proliferation of nuclear weapons to nonnuclear nations. It follows that the United States should take full advantage of

the opportunity now afforded by the developments of the past month to make a major effort to provide leadership to the international community in building up the status and capabilities of the IAEA.

As James R. Schlessinger recently stated:

The IAEA, perhaps uniquely, possesses the right of onsite inspection in sovereign states. If the IAEA did not already exist, it could not be created today. It is a product of political evolution that cannot be separated from its historic roots * * *. For the United States, the International Atomic Energy Agency will continue to be an indispensable element in any national strategy for resisting the further spread of nuclear weapons.

Mr. President, I submit for the RECORD the resolution adopted by the IAEA General Conference, a letter to the Director General from the Resident Representative of Israel, and provisions of the final declaration from the NPT Review Conference that relate to the IAEA. I ask unanimous consent that this material and my remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SAFEGUARDS (ARTICLE III OF THE TREATY)

"The Conference:

"expresses the conviction that IAEA safeguards provide assurance that states are complying with their undertakings and assist states in demonstrating this compliance. They thereby promote further confidence among states and, being a fundamental element of the Treaty, help to strengthen their collective security. IAEA safeguards play a key role in preventing the proliferation of nuclear weapons and other nuclear explosive devices. Unsafeguarded nuclear activities in non-nuclear-weapon states pose serious proliferation dangers. (p. 2, para 2)

"declares that * * * the acceptance of IAEA safeguards on all peaceful nuclear activities within non-nuclear-weapon states party to the treaty pursuant to Article III is a major contribution by those states to regional and international security. (p. 3, para 3)

"specifically urges all non-nuclear-weapon states not party to the Treaty to * * * accept IAEA safeguards on all their peaceful nuclear activities, both current and future * * * The Conference further urges all states in their international nuclear cooperation and in their nuclear export policies and, specifically, as a necessary basis for the transfer of relevant nuclear supplies to non-nuclear-weapon states, to take effective steps toward achieving such a commitment to non-proliferation and acceptance of such safeguards by those states. (p. 3, para 4)

"notes with satisfaction the adherence of further parties to the Treaty and the conclusion of further safeguards agreements in compliance with the undertaking of the Treaty * * * (p. 4, para 7)

"commends IAEA on its implementation of safeguards pursuant to this Treaty and urges it to continue to ensure the maximum technical and cost effectiveness and efficiency of its operations, while maintaining consistency with the economic and safe conduct of nuclear activities. (p. 4, para 19)

"notes with satisfaction the improvement of IAEA safeguards which has enabled it to continue to apply safeguards effectively during a period of rapid growth in the number of safeguarded facilities. It also notes that IAEA safeguards approaches are capable of adequately dealing with facilities under safeguards. In this regard, the recent conclusion of the project to design a safeguards regime for centrifuge enrichment plants and its implementation is welcomed. (p. 4, para 11)

"emphasizes the importance of continued improvements in the effectiveness and efficiency of ISEA safeguards. (p. 5, para 12)

"recommends that IAEA establish an internationally agreed effective system of International Plutonium Storage in accordance with Article XII(A) 5 of its Statute. (p. 5, para 13)

"welcomes the significant contributions made by states parties in facilitating the application of IAEA safeguards and in supporting research, development and other supports to further the application of effective and efficient safeguards. The Conference urges that such cooperation and support be continued and that other states provide similar support. (p. 5, para 15)

"calls upon all states to take IAEA safeguards into account while planning, designing and constructing new nuclear fuel cycle facilities and while modifying existing nuclear fuel cycle facilities. (p. 5, para 16)

"calls upon states to exercise their right regarding proposal of designation of IAEA inspectors in such a way as to facilitate the most effective use of safeguards manpower. (p. 6, para 1)

"calls upon states parties to continue their political, technical and financial support of the IAEA safeguards system.

"underlines the need for IAEA to be provided with the necessary financial and human resources to ensure that the Agency is able to continue to meet effectively its safeguards responsibilities." (p. 6, paras 20 and 21)

PEACEFUL NUCLEAR COOPERATION (ARTICLE IV OF THE NPT)

"The Conference:

"commends the recent progress which the IAEA's Committee on Assurances of Supply has made. (p. 7, para 6)

"acknowledges the importance of the work of the IAEA as the principal agent for technology transfer amongst the international organizations referred to in Article IV(2) and welcomes the successful operation of the Agency's technical assistance and cooperation programs. The Conference records with appreciation that projects supported from these programmes covered a wide spectrum of applications, related both to power and non-power uses of nuclear energy notably in agriculture, medicine, industry and hydrology. The Conference notes that the Agency's assistance to the developing states party to the treaty has been chiefly in the non-power uses of nuclear energy. (pp. 8-9, para 14)

"welcomes the establishment by the IAEA, following a recommendation of the First Review Conference * * * of a mechanism to permit the channelling of extrabudgetary funds to projects additional to those financed from the IAEA Technical Assistance and Cooperation Fund. The Conference notes that this channel has been used to make additional resources available for a wide variety of projects in developing states party to the treaty. (p. 9, para 15)

"underlines the need for the provision to the IAEA of the necessary financial and human resources to ensure that the Agency is able to continue to meet effectively its responsibilities [under Article IV of the Treaty]." (p. 10, para 17)

LETTER TO THE DIRECTOR GENERAL FROM THE RESIDENT REPRESENTATIVE OF ISRAEL

[The attached letter dated 23 September 1985 is being circulated to all Delegates at the request of the Resident Representative of Israel.]

Dr. HANS BLIX,
Director General,
International Atomic Energy Agency.

SIR: I have the honour to refer to your statement of 23 September 1985, reporting on the efforts you made in response to the mandate given to you by Resolution 425 of the General Conference 1984, and in order to clarify the position of the Government of Israel regarding this item I would like to make the following statement:

The Government of Israel appreciates very much the major efforts you have personally made in carrying out your mandate and in striving to achieve a solution. Unfortunately, as your report has made clear, this has not as yet been achieved.

From the very beginning of your efforts, the Government of Israel has offered you its fullest co-operation and in the course of the discussions a number of basic principles were formulated with which the Government of Israel could fully subscribe.

a. One of the main tasks of the IAEA is to promote the contribution of atomic energy, health and prosperity throughout the world.

b. States developing and utilizing nuclear energy are entitled to be confident that nuclear installations devoted to peaceful purposes will not be subjected to armed attack.

c. All States must refrain from attacking or threatening to attack nuclear facilities devoted to peaceful purposes, it being understood that the safeguards system operated by the IAEA brings evidence of the peaceful operation of a facility.

d. Fora which are competent for this purpose should work out binding agreements protecting nuclear installations devoted to peaceful purposes from attack and threat of attack.

Already last year the policy of the Government of Israel specified that nuclear facilities dedicated to peaceful purposes be inviolable from military attacks, and that Israel has great respect for the manner in which the IAEA fulfills its mission in the field of safeguards.

Israel holds that all States must refrain from attacking or threatening to attack nuclear facilities devoted to peaceful purposes, and that the safeguards system operated by IAEA brings evidence of the peaceful operation of a facility.

It is within this context that Israel reconfirms that under its stated policy it will not attack or threaten to attack any nuclear facilities devoted to peaceful purposes either in the Middle East or anywhere else.

Israel will support any subsequent action in competent fora convened to work out binding agreements protecting nuclear installations devoted to peaceful purposes from attack and threat to attack.

We believe that the record demonstrates that Israel has attempted to facilitate the mission of the Director General in a very forthcoming manner.

We believe that the clear position taken by the Government of Israel as stated above fully responds to Resolution 425 and should be accepted by the General Conference as an answer to your wish as well as that of many others to see this matter behind us.

I would appreciate it very much if you would circulate this letter to all delegations under item 10 of the agenda.

S. KATZ,
Resident Representative.

[Consequences of the Israeli military attack on the Iraqi nuclear research reactor and the standing threat to repeat this attack for (a) the development of nuclear energy for peaceful purposes and (b) the role and activities of the International Atomic Energy Agency]

DRAFT RESOLUTION SUBMITTED JOINTLY BY DENMARK, FINLAND, ICELAND, NORWAY AND SWEDEN

The General Conference:

(a) Having considered agenda item 10,

(b) Taking note of Security Council resolution 487 unanimously adopted on 19 June 1981, which, inter alia, called upon Israel to refrain in the future from any such acts or threats thereof, and urgently to place its nuclear facilities under IAEA safeguards,

(c) Recalling relevant General Conference resolutions, particularly GC(XXVIII)/RES/407 and (1983) and GC(XXVIII)/RES/425 (1984), which, inter alia, demanded that Israel undertake forthwith not to carry out any further attacks on nuclear facilities in Iraq or on similar facilities in other countries, devoted for peaceful purposes, in disregard of the Agency's safeguards system,

(d) Taking note of the United Nations General Assembly resolution 39-14 and earlier relevant resolutions of the United Nations General Assembly on the same subject,

(e) Recalling that, as stated in resolution GC(XXVIII)/RES/407, it is an objective of the International Atomic Energy Agency to "seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world" and that in carrying out its functions the Agency shall "conduct its activities in accordance with the purposes and principles of the United Nations to promote peace and international co-operation, and in conformity with policies of the United Nations furthering the establishment of safeguarded worldwide disarmament and in conformity with any international agreements entered into pursuant to such policies",

(f) Reaffirming the right of all nations to acquire and develop nuclear technology for peaceful purposes for their development programmes under effective international safeguards,

(g) Considering that any attacks or threats of attack against peaceful nuclear facilities jeopardize the development and further promotion of the peaceful uses of nuclear energy, and, therefore, the achievement of one of the main objectives of the International Atomic Energy Agency,

(h) Concerned that such attacks raise fears about the safety of present and future nuclear facilities,

(i) Aware that all States developing nuclear energy for peaceful purposes need assurances against armed attacks on peaceful nuclear facilities,

(j) Reaffirming its confidence in the effectiveness of the Agency's safeguards system as a reliable means of verifying the peaceful use of a nuclear facility,

(k) Taking into account that the question of the protection of nuclear facilities against armed attack is under consideration in other international organisations, including the Conference on Disarmament,

(l) Bearing in mind the report of the Director General of the IAEA contained in document GC(XXVIII)/719,

(m) Having heard the Director General's report, in his statement of 23 September 1985, of his discussions in compliance with GC(XXVIII)/RES/425,

(n) Having studied the letter of 23 September 1985 addressed to the Director General by the Resident Representative of Israel, and circulated to the members of the Conference,

(o) Taking note of the statement made on 26 September 1985 in the General Conference by the Representative of Israel, as directed by the Minister for Foreign Affairs of Israel and on behalf of his Government according to which:

(1) Israel holds that all States must refrain from attacking or threatening to attack nuclear facilities devoted to peaceful purposes, and that the safeguards system operated by IAEA brings evidence of the peaceful operation of a facility;

(2) Israel reconfirms that under its stated policy it will not attack or threaten to attack any nuclear facilities devoted to peaceful purposes either in the Middle East or anywhere else and emphasizes specifically that Iraq is included;

(3) Israel will support any subsequent action in competent fora convened to work out binding agreements protecting nuclear installations devoted to peaceful purposes from attack and threat to attack.

1. Thanks the Director General for the skill and perseverance with which he carried out the task entrusted to him by Resolution GC(XXVIII)/RES/425;

2. Declares that all States must refrain from attacking or threatening to attack peaceful nuclear facilities in other countries;

3. Considers that the letter of 23 September 1985 from the Resident Representative of Israel and the statement by the Representative of Israel on 26 September 1985 contain undertakings on behalf of their Government in response to Resolution GC(XXVIII)/RES/425 and notes in particular the statement that Israel will not attack or threaten to attack any nuclear facilities devoted to peaceful purposes either in the Middle East, including Iraq or anywhere else;

4. Notes that Israel has thereby committed itself not to attack peaceful nuclear facilities in Iraq, elsewhere in the Middle East, or anywhere else;

5. Calls upon Israel urgently to place all its nuclear facilities under IAEA safeguards;

6. Considers that the safeguards system of the IAEA brings evidence of and an opportunity to review the peaceful nature of nuclear facilities subject to such safeguards;

7. Reaffirms that any attack on a peaceful nuclear facility subject to IAEA safeguards would constitute a serious threat to the safeguards system of the IAEA;

8. Appeals to competent international organs to take steps, in accordance with their mandates, to ensure the inviolability of peaceful nuclear facilities and to contribute thereby to the safe developemnt of nuclear energy;

9. Affirms the readiness of the International Atomic Energy Agency to assist the competent international organs, if they so request, in any technical and safeguards aspects of this matter;

10. Declares that if such attacks or threats of attack were to occur again, the matter will be examined by the International Atomic Energy Agency in accordance with its Statute and the relevant resolutions.

EXPLANATION OF GRAMM-RUDMAN VOTE

Mr. BINGAMAN. Mr. President, I would like to take the opportunity to state the reasons why I voted against the Gramm-Rudman deficit reduction propsal recently passed by the Senate and now under consideration by a joint House-Senate conference committee.

First, let me say that in no way do I condone the $200 billion-plus budget deficit that exists today. A deficit of this size is completely unacceptable and I support action to reduce it. Moreover, I supported the budget resolution and efforts to achieve even greater deficit reduction than that represented by the reconciliation legislation that is before the Senate. Indeed, I have supported further efforts to reduce the deficit by cutting what I believe are worthy Federal programs such as revenue sharing and job training that I otherwise would have supported were it not for the huge deficit and the overwhelming need to reduce it.

Let me also say that had I thought the Gramm-Rudman process would work to reduce the deficit, I would vote for it without hesitation. But I don't believe it will work, nor do I feel it is good policy.

We, in the Congress, tend to look for the automatic fix to serious problems. Such "automatic fixes" are attractive because they appear to provide simple and painless solutions to otherwise difficult problems. Unfortunately, they usually don't solve the problem and often create new problems.

Well, as the President is fond of saying, "Here we go again." In one fell swoop, we appear to have fixed the exorbitant budget deficits. The distinguished Senator from Texas, Senator GRAMM, and others have put forward, and the Senate has passed by a vote of 75-24, an automatic spending reduction plan that promises a balanced budget in 1991. A neat "glidepath" of declining deficits is laid out, and it is argued that passing this single piece of legislation we either cause the Congress and the President to meet those deficit targets or we put the wood to them by triggering an "automatic fix" for their lack of polictical courage.

But before we jump to embrace the "automatic fix," we need to think about its ramifications.

THE GRAMM-RUDMANN PROPOSAL

The proposal is virtually irresistible as a political statement whose time has come.

During each of the next 5 years, the bill mandates the President to present, and the Congress to adopt, budgets with deficits no larger than targeted amounts. The targets for these deficits decline by $36 billion each year from $180 billion in 1986 fiscal year to $0 billion in fiscal year 1991.

At the beginning of each new fiscal year (October 1), the Congressional Budget Office and the White House Office of Management and Budget report to the President whether they expect deficit targets to be met in that fiscal year, and if not, how much of an "overage" they anticipate. When an overage is predicted, it is to be eliminated by an order from the President "sequestering" or impounding the necessary funds to meet the deficit target. The President would eliminate up to one-half the overage by withholding part or all of the cost-of-living adjustments for entitlement programs (excepting Social Security). We would eliminate the balance of the overage by an across-the-board "sequestering" of funds in accounts recognized by the Congress as relatively controllable.

THE ECONOMIC PROBLEM WITH GRAMM-RUDMAN

The first problem with Gramm-Rudman is economic.

In theory, the passage of Gramm-Rudman fixes the deficit problems. A failure of will by the President and Congress to meet the deficit targets is anticipated and accounted for if it does occur. In effect, we have seen the failures of both the President and Congress to keep the Nation on a responsible course with our fiscal policy and we have opted for the next 5 years to put the fiscal policy of the country on automatic pilot.

There is much to commend Gramm-Rudman: It sets goals for reduction of the deficit; it requires adherence to those targets by both the President and the Congress; and now, in its substantially revised form, it at least tries to spread the spending cuts across more spending categories than originally contemplated, though still not enough.

But inherent in it is a major economic risk that it will try to conform our fiscal policy to a preset, inflexible course when the economic weather we encounter may require a different, more flexible course.

Senator GRAMM correctly points out that the "overage" of the anticipated deficit above the target for any year would occur for one of three reasons:

"First, we use faulty economic assumptions or something changed; second, we had phony savings; or third, the spendout rates were different than we thought."

If the "overage" occurs for reasons two or three; that is, "phony savings or inaccurate spendout rates"; then I would agree that something like this "automatic fix" more broadly applied might be just what the doctor ordered. The mechanism proposed would take the President and Congress to the woodshed and correct the problem.

However, in truth, any significant overage will not occur for reason two or three. It will occur for reason one, that is, either we recognize we have been using overly optimistic economic assumptions or we recognize that economic conditions have changed for the worse. A worsened economic situation from the spring when the Congress is marking up its budget resolution to the fall when the CBO and OMB are required to report could cause a dramatic increase in the "overage." A declining gross national product [GNP] and growing unemployment could very likely take a genuine effort by Congress to reach the deficit targets and turn that into a miscalculation of $30 to 50 billion for the upcoming fiscal year. Under the Gramm-Rudman proposal, the greater the worsening of economic conditions, the larger the automatic "sequestering." In other words, when the economy contracts, the bill would impose a legal requirement for additional contraction. The economic decline would be exacerbated by this "procyclical" automatic fix to the deficit problem. As economist Walter Heller has stated, Gramm-Rudman would take a deteriorating economy and administer to it a "swift kick in the groin."

Much of the monetary and fiscal policy pursued by this administration and all prior administrations is designed to buffer the economy from highs and lows and keep us on a steady growth path. The Government tries to counter the economic cycles in order to help keep inflation and unemployment down and GNP growth up.

Senator GRAMM's prescription for economic health is just the opposite. He argues that when the economy's health deteriorates we should bring out the leeches and bleed the patient. When the economic circumstances change for the worse, impose discipline on the economy by issuing an order that it conform to the automatic glidepath that Congress has mandated. The flexibility needed to match our policy with reality would be lost.

The sponsors of the measure argue that the bill contains an escape hatch which permits the President to avoid issuing an order of "sequestration" if OMB predicts two quarters of negative real growth in the GNP. We set up OMB in 1970. Since that time, we've had five recessions, and OMB has never once predicted two quarters of negative real growth in the GNP. Taking the 1982 recession as an example, we, in fact, experienced five quarters of negative real growth and all OMB predictions from the peak of GNP growth in July 1981 to its nadir in November 1982 were for rosier days just ahead.

THE GRAMM-RUDMAN DEFENSE PROBLEM

There is also a second problem with the Gramm-Rudman proposal. As Congressman ASPIN has pointed out, it would cause chaos and waste in our defense program. Like domestic programs, defense will face disproportionate cuts because of the decision to exclude Social Security and tax loopholes from any cutbacks at all. But the effect on defense is further ballooned by the decision to include existing defense contracts in the pool of funding to be cut, while excluding most existing contracts for domestic programs.

Across-the-board cuts in defense programs are going to be tremendously disruptive. Cuts in military and civilian personnel will be disproportionately large, as will cuts in training and readiness programs. Across-the-board cuts in procurement programs are going to lead to "plain bad management," as Congressman ASPIN put it. Already inefficient production rates will become even more so. Instead of canceling or delaying the start of lower priority programs, all programs will be continued at reduced funding levels. Secretary Lehman's 600-ship Navy will become totally unachievable as disproportionate cuts hit the shipbuilding program because of the fact that it takes a long time to build ships.

Barring a serious international crisis, I favor restraint on defense spending. I supported a no-real-growth budget this year, and we may end up after the appropriations conference with a cut for the first time in President Reagan's tenure. Given the deficit crisis, continued zero real growth may be the best that can be achieved in future years. But the Gramm-Rudman meat-ax approach is not the way to achieve restraint in the defense budget. At a time when the Defense Department will least be able to afford waste, the Gramm-Rudman approach will guarantee waste on a scale which will make past stories about exorbitant prices for spare parts pale in comparison.

THE GRAMM-RUDMAN FAIRNESS PROBLEM

There is also a third problem with the proposal. In practice, it may unfairly allocate the sacrifices needed to deal with the deficit. Serious deficit reduction has been stalled by what my colleague, Senator PETE DOMENICI, calls political gridlock. Everyone wants to cut the deficit, but most are only willing to do so while exempting their particular pet concerns. The President wants no new taxes and wants the defense budget spared. The House wants to hold the line on spending cuts for domestic programs, believing that we have already seen 5 years of relative decline in those programs. And neither the President nor the Congress has shown a willingness to restrain the growth of Social Security benefits to the same extent as other benefit programs.

The theory of Gramm-Rudman is that it would be neutral in the ongoing fights for these different priorities. In practice, I fear a very different result.

First, one must calculate whether the President is serious in his determination to resist tax increases. I believe he is, because that's what he repeated-

ly says. If that is so, then Gramm-Rudman provides him with a clear escape valve from any need to negotiate with the Congress a balanced deficit reduction package which would include additional revenue.

Second, one must calculate whether either the President or the Congress is going to consider, or should be willing to consider, the major and chaotic cuts in defense spending described above during the last 3 years of this administration. I think not. Neither the President nor the Congress is going to stand still for the major cuts in defense spending such as would be mandated under Gramm-Rudman. In my view, the 60-percent vote needed in each House to waive Gramm-Rudman as it applies to defense funding will be attainable once the disruptions and waste caused by its application are evident. Accordingly, any claim to across-the-board application of Gramm-Rudman will be hollow, indeed.

So, if the President is not under pressure to negotiate with the Congress on a deficit package that includes new taxes, and if the 60-percent vote is present to waive Gramm-Rudman as it applies to defense spending, then the effect of Gramm-Rudman will be to authorize major disproportionate new cuts in the domestic programs targeted for reductions or elimination by the administration since January 1981. Deficit reduction, which we all support, is pursued under this plan, and may be even partially accomplished. But it would be done on the President's terms and in a way that furthers his priorities. Veterans, enviromental protection, energy, education, health, and farm programs will be gutted. Even such domestic programs as space research and law enforcement, which the President has supported, will face serious problems if the burden of deficit reduction is placed only on domestic programs.

THE BETTER OPTION

The growing national debt does demand extraordinary measures. And the three problems I have pointed out with Gramm-Rudman can be addressed while its beneficial aspects are retained.

We should keep the deficit target goals and keep the requirement that the President and the Congress meet those targets. But if a target is missed because of deteriorated economic conditions, rather than lack of political will, we need to provide greater flexibility to adjust our policy to meet the new reality. Instead of requiring OMB to predict two quarters of negative real growth in the GNP before the President has the option to withhold his order, we should adopt the escape provision from the Chiles-Byrd proposal and provide automatic suspensions for any year in which there are two consecutive quarters of actual declining GNP, since OMB has never projected negative real growth.

The defense problem with Gramm-Rudman might be lessened by permitting more flexibility in the implementation of the mandated defense cuts. No one can doubt the President's and Secretary Weinberger's commitment to a strong defense. They should be allowed the management flexibility to attempt to minimize the damage caused by the disproportionate Gramm-Rudman cuts on defense.

The fairness problem can be addressed by broadening the list of items subject to spending restraint if sequestering occurs to include Social Security, by mandating that some portion of the overage be made up from additional revenues and by closing tax loopholes when a triggering occurs, and by changing the waiver requirement for additional spending requests from the President from a 60-percent vote to a two-thirds majority. Tax loopholes, costing the Government over $400 billion a year and benefiting primarily special interests, are estimated by the Joint Economic Committee to increase $40 billion each year—$4 billion more than the mandated annual deficit reductions required by Gramm-Rudman. We can't afford to leave them out of the deficit reduction equation.

Happily, Gramm-Rudman focused our attention on the need to give the deficit problem our first priority. Unfortunately, the bill as introduced in the Senate, and as passed by a large majority on October 9, is deficient for the economic risks it subjects us to, for the chaos and waste it will cause our defense program, and for the inherent unfairness of its provisions. The modified version of the bill offered by Senators DOMENICI and CHILES was vastly better, but still needs improvement if it is to serve the ends of economic prosperity and fairness. I hope the conference committee will now succeed in crafting something which in substance begins to approach effective, sound deficit reduction.

SYNTHETIC FUELS CORPORATION

Mr. WARNER. Mr. President, I rise today to oppose the further rescission of funds available to the Synthetic Fuels Corporation [SFC] as advocated by the Senators from Washington [Mr. EVANS] and Ohio [Mr. METZENBAUM].

This is not a position at which I have arrived lightly but instead it is the product of careful analysis because I am convinced that every Federal program must be carefully scrutinized for potential savings in our pressing drive to reduce Federal spending.

But I am convinced, Mr. President, that further rescissions in the SFC are not only unjustified but would be counterproductive.

Only 11 months ago under the able leadership of the Senator from Idaho [Mr. MCCLURE], Congress and the administration agreed to rescind $7.375 billion from the SFC and restructure the program.

The new SFC board has moved expeditiously to tighten up SFC management and implement the intent of Congress.

I ask unanimous consent to have printed at this point in the RECORD excerpts from two articles by former SFC critic Milton Copulos, a senior analyist with the Heritage Foundation spezializing in energy issues, which appeared in the October 22 and 23, 1985, Washington Times.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Times, Oct. 22, 1985]

ENERGY RESOURCE DILEMMA

(By Milton Copulos)

Leaded regular—95.9. That sign, which is appearing on more and more gasoline pumps in the Washington area, says more about the recent decline in OPEC's fortunes than all the instant analysts who have become a regular feature on the nightly news put together.

For the moment at least, it seems that the consumer can expect some temporary respite from the spiraling oil prices of the 1970s. Nor is this respite illusionary. The fact is that prices have declined to their lowest level in real terms (constant dollars since 1979), and even the nominal price of gasoline now averages less than in 1983. More important, the drop has taken place in the face of hefty increases in state and local taxes that add as much as $1.30 to the price of an average fill-up.

Still, although Americans might find some justifiable satisfaction in OPEC's current disconfiture, there is little cause for complacency. The energy crisis may be in remission, but it has not gone away. It is true that steps taken by the Reagan administration to help eliminate barriers to a free market in energy put a stop to the rapid deterioration of America's energy security, and even to an extent improved it. But the job is far from over, as a quick review of our current import situation readily reveals.

The United States continues to rely on imported petroleum heavily—using nearly the same proportion today that it did just before OPEC lowered the boom. For example, during the first half of this year, almost 30 percent of our petroleum came from abroad, only 5 percent less than the 1973 import figure. Nor should the fact that OPEC's overall contribution to U.S. oil imports has dramatically declined be seen as an end to the import problem.

While less than 2 percent of total U.S. oil imports now come from the volatile Persian Gulf—good news indeed—nearly half of our import total is produced by nations bordering the Caribbean Basin. In addition, on average 44 percent of all Alaskan crude oil is shipped to East Coast and Gulf Coast refineries via the Panama pipeline, an easy target for terrorists. As a consequence, fully one-third of all U.S. oil supplies are afloat on tankers in the Caribbean at any given

moment—a body of water that is anchored by Cuba on one side and Nicaragua on the other.

The potential to disrupt this tanker traffic is best illustrated by our experience during World War II.

During 1942, a handful of German submarines operating out of European bases succeeded in sinking 2½ percent of all Allied shipping in the Caribbean each month—or 30 percent for the year. This, mind you, was accomplished without the sophisticated capabilities of contemporary undersea craft, or the luxury of local bases. That this point of vulnerability is recognized by America's enemies was made clear by the Marxist attempt to take over Grenada, an island that sits astride the principal ship channel used by tankers leaving Venezuela.

Therefore, while the shift in the locus of U.S. oil imports does represent a marginal improvement in our overall energy security, there remains an element of vulnerability we can ignore only at our peril.

Perhaps the greatest irony related to America's continued oil-import dependences is that there is no need for such a dependence to exist. Unlike most of our allies, the United States is richly endowed with energy resources. It remains the most prolific producer of oil in the Free World—in fact, it is second only to the Soviet Union in output. We often forget that it was not until after World War II that oil imports began to play an important role in the U.S. energy mix, and not until the 1970s that they reached a level sufficient to pose a security threat.

Moreover, like the proverbial child in a candy store, it is not so much that we are lacking in resources, as that we can't seem to make up our minds as to which we want to use.

In addition to our large petroleum resources, America holds even larger reserves of natural gas. Conventional natural-gas supplies are more than adequate to support current levels of consumption well into the next century. When so-called "unconventional" natural-gas sources, such as gas from tight sands or coal seams, are taken into account, the supplies could last two centuries or more. But even our conventional gas supplies pale in comparison with our coal reserves.

America has been dubbed the "Saudi Arabia" of coal, and rightly so. It has fully one-third of the Free World's proved reserves. If properly utilized, they represent a resource sufficient to meet all our fossil-fuel needs for the foreseeable future. Similarly, we hold vast reserves of oil shale, tar sands, and heavy oil. We also have among the world's largest proved uranium reserves—which were doubled a few years back when a major discovery was made in Virginia. So why then is there a problem? The answer, in a word, is government.

Except for a brief period during the middle and late 1970s, when a constituent pressure led to a flurry of largely counterproductive government actions on the energy front, Congress by and large has done whatever it could to hamstring the domestic energy industry. Viewing it alternately as a polluting nuisance or a "deep pocket" for pet projects, it has tried its best to tax and regulate domestic energy producers out of existence.

Yielding to pressure from self-styled environmentalists and Eastern labor unions, for example, it placed so many restrictions on coal use that one former federal power commissioner was led to exclaim in frustration, "Coal is a great fuel, except that you can't mine it, transport it, or burn it."

Incentives to spur the search for oil supplies have been systematically removed from the tax code, while at the same time, more and more new taxes have been piled on the oil industry, making it the most heavily taxed sector of the domestic economy today.

Congressmen, eager for a "free" environmental vote, have imposed an increasingly stringent set of restrictions on federal leasing policies, foreclosing vast, promising areas of the Outer Continental Shelf and offshore federal lands to oil and gas exploration.

This despite the fact that geologists estimate that up to 60 percent of America's future oil and gas supplies must come from these regions. Nonsensical regulatory policies by the Nuclear Regulatory Commission have all but sounded the death knell of the domestic nuclear industry, even though it was the United States that gave birth to the technology. Worse, they haven't even helped to improve safety.

Regulations restricting the industrial and utility use of natural gas, put in place during the Carter years when the misimpression existed that supplies were in imminent danger of exhaustion, remain in effect, even though there is a glut of natural gas today, and new reserves estimates indicate that it will continue into the foreseeable future.

In brief, as Pogo once said, "We have met the enemy and they is us."

Still, there are ways to eliminate America's energy Achilles heel, if only Congress will find the wisdom to adopt them. All we really need do is make full use of what we have. That, however, may be a task easier said than done.

[From the Washington Times, Oct. 23, 1985]

BOOSTING ENERGY SECURITY

(By Milton Copulos)

Yet another example of congressional overreaction is found in some of the recent attacks on the ill-conceived Synthetic Fuels Corp.

The SFC was a classic example of how Congress in its rush to "do something" about the energy crisis proceeded to confuse motion with progress. Conceived as an $88 billion program to create a whole synthetic fuels industry from scratch, the basic concept of the SFC was wrong-headed from the outset, and yet, although Congress has finally come to recognize it as such, in their rush to bring about its well-deserved demise, they are ignoring a fundamental fact.

The lion's share of the monies allocated for synthetic fuels projects were under a provision of the original law which mandated that the Department of Energy fund a number of programs while the SFC itself was being organized. The rationale for this provision was that it would allow the SFC to get a running start when the DOE-sponsored projects were transferred to its control. Unfortunately, by and large, the DOE selections were turkeys of the first order, and have either been abandoned or, at a minimum, show no hope of ever proving economic.

By contrast, the projects actually selected and approved by the SFC itself, have by and large experienced few technical or financial problems. Moreover, they represent a small proportion of the initial funds the agency was authorized to spend. Yet, in its rush to shut the SFC down, it appears that Congress is prepared to abandon even those with some prospect of proving technically successful, thereby losing the entire federal investment, and in effect throwing the baby out with the bath water.

While no one would argue that the technologies would be economically viable today, if they are proven technically, they could be on the shelf as a sort of insurance policy against the day that they are needed. Moreover, this could be accomplished by merely meeting a few existing commitments and then shutting the SFC down for good.

Regardless of what steps are taken to help secure the nation's energy future, however, and this column has mentioned only a few, nothing can happen in the absence of a recognition by Congress that the potential for trouble exists.

Yes, there is good news on the energy price front, and yes, we have made progress. We have a Strategic Petroleum Reserve, and we are less dependent on oil from the Persian Gulf area. But these facts are no cause to become complacent. The oil-drilling industry is in a tailspin, with even long-established companies in danger of bankruptcy. U.S. proved reserves have stabilized, but production is level as well. Massive strides have been made in conservation, but there is a limit to how much we can conserve.

We have the alternatives which can prevent a repetition of the energy crisis of the 1970s, but we must begin to act now. Otherwise the gasoline lines might be back sooner than we think.

Mr. WARNER. Mr. President, Mr. Copulos points out that the projects now selected by the SFC have actually experienced relatively few technical and financial problems and represent a very small percentage of the original obligational authority of the SFC.

By abandoning these projects at this time, we would be losing the entire Federal investment and eliminating the possibility that the United States could have a synthetic fuels capability if and when that becomes necessary.

As a member of both the Senate Armed Services Committee and the Senate Energy and Natural Resources Committee, I have a particular interest in assuring that the United States has a sufficient domestic energy supply to meet its national security needs.

I ask unanimous consent to have printed at this point in the RECORD a letter which I wrote to Secretary of Defense Caspar Weinberger and his response.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, October 4, 1985.

Hon CASPAR W. WEINBERGER,
Secretary of Defense, The Pentagon, Washington, DC.

DEAR MR. SECRETARY: The Senate will shortly be considering the future of the synthetic fuels program. Opponents of the program are proposing that the U.S. Synthetic Fuels Corporation be abolished and all but $500 million of its remaining funding authority be rescinded.

One argument in favor of this action is the suggestion that the Union oil shale project in Parachute, Colorado cannot produce sufficient fuel or technical gain to justify support by the federal government.

It is my understanding that DoD has identified liquid hydrocarbons derived from shale oil as having the greatest potential near-term value for meeting the Department's future fuel needs. I also understand that DoD has a contract with Union Oil to receive jet and diesel fuel refined from shale oil produced as the Parachute site.

I would appreciate knowing the Department's views of the technological feasibility of the Union process and the strategic relevance it may have to providing for the Department's future supplies of premium liquid mobility fuels.

This issue could come to the Senate floor as early as next week. As a result, I will need this information as soon as possible.

Sincerely,

JOHN W. WARNER.

THE SECRETARY OF DEFENSE,
Washington, DC, October 23, 1985.

Hon. JOHN W. WARNER,
U.S. Senate, Washington, DC.

DEAR JOHN: Thank you for your letter of October 4 regarding the Union Oil Company's shale oil project in Colorado. You are rightly concerned, as we are, about this project and the synfuels program in general.

Under a Department of Energy (DOE) contract of many years ago, Union Oil Company of California (Unocal) agreed to develop the Parachute, Colorado, synthetic crude oil facility. DOE agreed to a system of guarantees that would make the oil marketable when it became available. DoD agreed to be a customer for the fuel produced from this oil because we felt the need to verify the results of our research on the suitability of shale-derived fuels in our weapons systems. This is still the case; when suitable supplies of these fuels become available, we will need to perform this verification.

As part of the contract, the Department of Defense was entitled to up to 10,000 barrels per day of jet and diesel fuels from Union Oil Company. Once Union's synthetic crude oil facility became operational, that oil was to be upgraded by Union and purchased by DoD from a nearby refiner, Gary Refining, Inc. Union did not plan to refine the products themselves. To date, DoD has received petroleum-derived fuels from Union, but no synfuels.

When DoD and DOE joined the Union venture, the near-term energy situation in the United States appeared bleak. Now, of course, only the longer term supply situation appears likely to make synfuels a significant U.S. national asset. If, or when, that condition develops, synfuel will be as important to the national economy on the whole as it will to DoD. Therefore, our interest in synfuels is the same as that of U.S. transportation industries. DoD believes that its needs may be met in part in coming decades by synfuels, which is why we continue to research the compatibility of these types of fuels with our equipment. But a shift to synfuel will not occur in DoD without a corresponding shift in overall U.S. supplies. Thus, the only unique impact on DoD of not receiving synfuel from Union would be our inability to execute our operational validation programs in Colorado, Utah, and Idaho for shale-derived jet and diesel fuels.

Union's synthetic crude oil process has been plagued by difficulties that arose when the company scaled up from its pilot plant to the commercial plant. When it did so, it altered some system designs, and it is in these systems that problems continue to develop. We believe the project can be completed successfully, given a continued Unocal commitment. We do not believe the Government should support the project, except perhaps through limited price supports or loan guarantees. Although I cannot comment on the details of their action, this was the approach taken by the Synthetic Fuels Corporation on October 16. I must point out, however, that at present Gary Refining facility slated to refine the Unocal synthetic crude oil is facing bankruptcy because of Unocal's delays. If the refinery closes permanently, I am uncertain whether DoD will be able to use the Unocal crude.

I hope this letter is useful to you in the upcoming debate. Please do not hesitate to contact me if I may be of additional assistance regarding this issue.

Sincerely,

CASPAR W. WEINBERGER.

Mr. WARNER. Mr. President, the letter addresses the Department's views of the technological feasibility of the Union Oil Shale project and the strategic relevance it may have to providing for the Department's future supplies of premium liquid mobility fuels.

As pointed out in Weinberger's letter, the Union project is of particular importance to the Defense Department, and I quote from Secretary Weinberger's letter:

> . . . the unique impact on DOD of not receiving synfuel from Union would be our inability to execute our operational validation programs in Colorado, Utah, and Idaho for shale-derived jet and diesel fuels.

The Secretary goes on to say that the only support the Government should provide is limited price supports or loan guarantees.

Of course, that is exactly the approach taken by the SFC with the Union project on October 16 and indeed does address Federal budgetary concerns while, at the same time, assist in the development of a synthetic fuels industry.

In summary, Mr. President, a domestic synthetic fuels industry is a prudent investment in our national security.

I am convinced that the existing scaled-down synthetic fuels program is the appropriate approach, and I urge my colleagues to reject this attempt to wipe out the possibility of the United States ever receiving any return on the Federal investment in synfuels.

SYNFUELS: A KEY TO OUR ENERGY FUTURE

Mr. DIXON. Mr. President, I rise today in support of the amendment by the chairman and the ranking Democrat of the Energy Natural Resources Committee to preserve the remaining obligational authority for the Synthetic Fuels Corporation.

In a period of mounting deficits, a proposed cut of $6.9 billion may at first seem like a prudent fiscal endeavor. However, this misguided attempt at budget-trimming may ultimately endanger our national security.

The Synthetic Fuels Corporation [SFC] was formed in 1980 under the Energy Security Act to, in the words of its president, "stimulate and leave behind a viable private sector synthetic fuels industry." Avoiding direct payments of taxpayer moneys and instead favoring loan and price guarantees, the Corporation was—and is—meant to foster trust and cooperation between private industry and Government while helping build an energy-independent America.

Since 1980, over 100 proposals have been submitted by private corporations willing to develop new sources of fuel that can effectively tap this Nation's energy reserves.

Mr. President, only a small fraction of the Nation's energy reserves are in conventional petroleum. In the United States, over 90 percent of our reserves are in coal and oil shale, in tar sands, or in heavy oils that cannot presently be extracted. My State of Illinois, for example, is blessed with reserves or at least 182 billion tons of coal, much of which could be used for synthetic fuels production. If converted to liquids, our national reserves, experts surmise, can represent about five to six times the entire reserve potential of the Middle East.

To extract this energy, a capital-intensive effort requiring Government-business cooperation is essential. Because research, development, and extraction costs make the marketing of synthetic fuels slightly more expensive than that of conventional fuels, Government initiative through the SFC is crucial in spurring private interest and production and in firmly establishing the industry as a solely private venture. For that purpose, the Synthetic Fuels Corporation is intended as a catalyst that can launch the industry on a prosperous course for the future. The unreasoned hacking of much of the remaining funding in the SFC budget would cripple the chances for a successful synfuels program to become fully operational.

At this time the United States has abundant energy resources and sufficient reserves. However, as I have emphasized for a long time, international energy markets are volatile and unreliable. Living in a world fraught with terrorism and uncertainity, this Nation and its allies must be assured that supplies will never be cut off. As long as the Middle East crises continue to flare and as long as the piracy in the Strait of Hormuz drags on, I reiterate that the United States must make all reasonable efforts to fully unshackle itself from the addictive- and expensive-habit of energy dependence.

I remember clearly, Mr. President, the suffering that the citizens of Illinois and this entire Nation endured as a result of the 1973 oil embargo. How-

ever, because of the continuing possibility that our supply lines may be severed unexpectedly, this Nation undertook an energy conservation and diversification program that placed synfuels development at the forefront of future policy. Virtually all experts agree that someday soon synfuels will be both vital and economical and an essential cog in the energy chain that fuels industry and private homes and helps us maintain a strong web of national security. To achieve our objectives, the remaining funding must be maintained.

Mr. President, the proponents of this massive cut are unknowingly attempting to steer us on a course that could leave the United States virtually helpless in case of a national energy emergency within the next several decades. Our commitment must, of course, mean that we will continue to iron out any problems that crop up as we help lay the foundation for a multibillion dollar industry. And though growth of the industry has not proceeded as quickly as possible, due partly to rigorous evaluation of proposals by the SFC, the vision for a bright future remains.

The fact remains that we must develop synthetic fuel technologies now so that we know that they will be available when the next national energy emergency occurs. The leadtime in developing a new oil shale and coal plants, for example, take about 6 to 10 years to be constructed. For tar sands facilities, the leadtime is about 5 years.

Mr. President, a visionary energy policy seeks to encourage emergency preparedness, research and development, and conservation. This compromise amendment that is being offered today preserves the obligational authority of the Synthetic Fuels Corporation. Any other proposal to strike all the money for the SFC would only hurt this Nation by derailing the substantial public and private efforts that have been invested in the program and is neither wise nor visionary.

I urge my colleagues, upon careful consideration, to support this compromise amendment.

PROPOSED SALE OF CONRAIL TO NORFOLK SOUTHERN CORPORATION

Mr. HEINZ. Mr. President, I would like to direct the attention of my colleagues to what I think is an excellent article published yesterday in the Philadelphia Inquirer concerning the proposed sale of Conrail to the Norfolk Southern Corp.

This article notes, correctly in my view, that the plan for a quick sale of Conrail to Norfolk Southern has slowed to a snail's pace in the Congress. There are good and ample reasons for congressional hesitancy and skeptical examination of the Norfolk Southern offer.

I believe that most Members of the Congress support to return of Conrail to the private sector. However, many reserve justifiable concern that a Conrail-Norfolk Southern merger will have serious anticompetitive effects on rail freight transportation all along the eastern seaboard. In fact, a recent report by the Interstate Commerce Commission clearly shows that even if Norfolk Southern sells off nearly 1,600 miles of track to Guilford Transportation Industries and the Pittsburgh & Lake Erie railroads in an effort to preserve rail competition in the Northeast, these two smaller rail lines were driven out of business by the economic power of a dominant Norfolk Southern.

In addition, the jury is still out regarding Justice Department concerns over the antitrust implications of the Norfolk Southern bid. Also, Norfolk Southern has yet to conclude a labor agreement with Conrail workers. In consideration of all these unanswered questions and unresolved problems regarding the Norfolk Southern-Conrail bid, it is clear why the Norfolk Southern-Conrail purchase train has slowed at the congressional crossing.

Mr. President, I commend this excellent article to my colleagues, and I ask unanimous consent that the text of the article be entered in the RECORD in full.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIME MAY BE RUNNING OUT ON NORFOLK SOUTHERN'S OFFER FOR CONRAIL

(By Tom Belden)

Although executives of the Norfolk Southern Corp. express optimism publicly, the chances grow slimmer by the day that they will succeed in their dream of taking over Conrail from the federal government.

Even Norfolk Southern chairman Robert B. Claytor privately expressed doubt recently that Congress is ready or willing to make a decision on selling the Philadelphia-based freight rail system, either to his company or to anyone else.

Claytor last week reiterated his warning of last summer that Norfolk Southern's management and board are unwilling to devote much more time and money lobbying for passage of legislation that would enable them to buy Conrail.

Claytor said Norfolk Southern's directors badly want, at the least, to see an affirmative vote in the Senate this year, as a sign the complex legislation is making some progress through Congress.

Neither Norfolk Southern officials nor anyone else following the sale expect the House—where legislation has not even come up for a committee vote—to act before the Senate.

Even in the Republican-controlled Senate, however, there has been a loss of much of the momentum that Transportation Secretary Elizabeth H. Dole had going for her last spring after her sale plan was approved by the Commerce, Science and Tranportation Committee.

Norfolk Southern and Transportation Department officials, along with Senate supporters of the legislation, still believe that a majority of senators would approve the sale, which would return the Northeastern and Midwestern rail system to the private sector after a decade of government stewardship.

But there also is a solid core of opponents of Norfolk Southern's offer to pay $1.2 billion for the government's 85 percent share of Conrail, including some senators willing to filibuster in an effort to kill the legislation.

Sen. Howard Metzenbaum (D., Ohio), an outspoken opponent of Norfolk Southern's bid, has promised to lead the debate. Sens. Arlen Specter and John Heinz (R., Pa.), who also are against a Norfolk Southern deal, probably would be participants in a filibuster.

Specter went so far as to write to Dole last week, suggesting it would be better part of valor simply to give up the fight now and withdraw the Norfolk Southern legislation.

It would take 60 votes in the 100-member Senate to cut off a filibuster and force a vote on any legislation empowering Dole to conclude a sale, and Norfolk Southern officials say they have that much support.

"As a matter of public policy, this [the Conrail sale] is a national issue," Norfolk Southern vice president Magda Ratajski said last week. "But from a Senate perspective, this . . . is an issue only in the Northeast," and that is where the opposition is centered, she contended.

Opponents of the Norfolk Southern deal believe that they have the votes to keep a filibuster from being cut off. According to an aide to one opponent, there are no more than 45 senators, and perhaps fewer, who would vote to sell Conrail to the Virginia-based rail-holding company.

The Senate currently is scheduled to debate the Conrail sale in early December. But it is doubtful that the legislation will be on the lawmakers' calendar even then unless answers are forthcoming to some key questions about the anti-competitive impact of the deal, among other problems.

If any single issue has been instrumental in generating new opposition to a Norfolk Southern sale it has been renewed questioning of the antitrust issues.

If combined, the Conrail and Norfolk Southern systems would have more than 30,000 miles of track, making the system the nation's largest. The Justice Department's antitrust division last January told Dole that merging the two companies would illegally destroy too much inter-rail competition unless there were divestitures of certain stretches of track to other railroads.

Since Sept. 1, there have been numerous fresh challenges to the plan Norfolk Southern devised to sell off about 1,600 miles of track in the upper Midwest, northwestern Pennsylvania and New York state to two smaller railroad companies.

The two smaller roads, Guilford Transportation Industries and the Pittsburgh & Lake Erie (P&LE), ostensibly would replace the competition that now exists between Conrail and Norfolk Southern.

The Interstate Commerce Commission, however, concluded in a report to Rep. James J. Florio (D., N.J.), chairman of the House transportation subcommittee overseeing the sale, that both of the smaller railroads are likely to be driven out of business by the Conrail-Norfolk Southern system.

The ICC report said that the financial viability of both the smaller companies is open

to question, and they could be expected to compete only a short time against the economies of scale the larger railroad could offer customers.

"In the long run, it does not appear that Guilford will be a financially viable carrier," the report said. Later in the report, it added, "P&LE is not now a financially viable carrier and its acquisition of the new lines will not enable it to reverse its already precarious financial position."

In an effort to solve part of the problem, Norfolk Southern and Guilford struck a revised agreement, giving Guilford the right to run freight trains over a 500-mile main-line track that now is operated by Conrail. The line, which is in first-class condition, runs from Toledo, Ohio, to St. Louis and has a 70-mile-per-hour speed limit.

A NEW DEAL

Under the new agreement, Guilford would only have to pay a fee, based on usage, to operate over the main-line track. Under the old agreement, Norfolk Southern would have sold Guilford a different, roughly parallel track, now in the Norfolk Southern system, that has a 39-mile-per-hour speed limit, for $15 million. The track needs an estimated $40 million in rehabilitation in order to bring it up to speeds competitive with the Conrail main line.

Adding to the challenges that Norfolk Southern deal faces, the Justice Department's antitrust division, under a new chief, Douglas Ginsburg, in late September expressed unhappiness with the Norfolk Southern divestiture agreements.

Even with the revised Norfolk Southern agreement with Guilford, Ginsburg said he still was worried about how much serious competition the Norfolk Southern-Conrail system would have.

Ginsburg's reservations were based largely on work done for Justice by R.L. Banks & Associates, a consulting firm, that investigated the financial strength of Guilford and P&LE and helped assess how competitive they could be.

Needless to say, Ginsburg's final assessment of the whole transaction and its potential aftermath is eagerly awaited by all those following the sale, since the Senate is unlikely to vote on the Norfolk Southern deal before that happens, according to observers.

"Politically, the supporters of Norfolk Southern can't get a vote in the Senate with the Justice Department still out," said one government official, who asked not to be identified. "And it's unlikely that Jusatice will sign on this for at least two months."

Several other factors also are working to keep either house of Congress from voting on a sale to Norfolk Southern this year, including the fact that the would-be Conrail owner still has no agreement with organized labor. The railroad's employees control the 15 percent of Conrail's stock the government does not own.

"There's going to be a lot of pressure in December [in the Senate] to adjoun," said one congressional staffer. "And there's going to be a lot of people asking, 'Why do I have to vote for this now?' Justice has not signed off, Norfolk Southern doesn't have a deal on the divestitures and it doesn't have a deal with labor."

NORTH DAKOTA ADMISSION DAY

Mr. ANDREWS. Mr. President, I rise today in honor of North Dakota's 96th anniversary of statehood. Our history as a territory and a State is both long and proud.

In 1682, the French explorer Robert Cavelier claimed all the land drained by the Mississippi River for the glory of France. This included the area that would become southwestern North Dakota near the Missouri River, which eventually flows into the Mississippi. The French also claimed a vast area south of Hudson Bay that encompassed the northeastern portion of the Dakota territory. In 1713, France ceded the Hudson Bay territory to Great Britain.

The French Canadian Pierre Gaultier de Varennes made the first European exploration of what later became the Dakota territory in 1738. While looking for a westward route to the Pacific, Gaultier reached an Indian settlement at the modern-day site of Mandan, ND. Today, one can visit the restored Mandan Indians' dome-shaped lodges noted by archeologists for their unique design and extreme utility.

Between 1762 and 1800, France and Spain exchanged their lands west of the Mississippi. In 1800, France again claimed the territory for its own. The mostly native Americans and the few white fur trappers and traders in the area in 1800 had already lived under the flags of two continental powers three different times. In 1803, the United States took ownership of this territory from France as part of the Louisiana Purchase.

Meriwether Lewis and William Clark almost immediately began the exploration of the territory for the American Government in the Nation's quest for passage to the Pacific Ocean. They reached the Dakota Territory in October 1804 and built Fort Mandan on a bank of the Missouri River, across from present-day Stanton. Except for a contingent of Scottish and Irish families, who left soon after all of present-day North Dakota became U.S. territory, there was almost no new settlement of the territory until the 1860's.

President Lincoln created the Dakota Territory in 1861. It included present-day North Dakota and South Dakota and much of Montana and Wyoming. In 1863 the territory was opened for settlement, but the lure of free land was tempered by limited transportation and hostile relations with the Indians, which kept the population sparse. With the surrender of the great Sioux chief, Sitting Bull, to the U.S. Cavalry in 1881, and the establishment of "bonanza farms," large wheat farms ranging from 3,000 to 65,000 acres, the land rush to the North Dakota territory began.

For example, in 1870, 5 years before large-scale farming began, the territorial population was 2,405 persons. Only 20 years later, in 1890, the population had grown to 190,983. Farming had become firmly rooted as the State's major industry. It is estimated that North Dakota is the most agriculture-dependent State in the Nation, responsible for four-fifths of the value of all goods produced.

With the advent of grain production in North Dakota, the territory was on its way to statehood—it had found its industry and its soul. In 1889, on November 2, North Dakota became the 39th State; South Dakota became the 40th State on that same day. The land gave North Dakota territory its soul. Grain gave it its industry. Bountiful harvests gave it an ingathering of peoples from New England, the middle States, Scandinavia, and Northern Europe. On November 2, 1889, North Dakota became the 39th State in the Union. Our roots, our values, our traditions are uniquely North Dakotan. They are also in the best traditions of our heritage as a nation and as a people.

COMPREHENSIVE TEST BAN

Mr. LEAHY. Mr. President, if President Reagan and Mikhail Gorbachev are to succeed in devising a formula to significantly limit nuclear and space weapons, they should first take a very fundamental step. That is to immediately resume the negotiation of a Comprehensive Test Ban Treaty.

A comprehensive test ban [CTB] with rigorous onsite inspection and provisions could pave the way toward a freeze on the production and deployment of nuclear weapons. It could help put an end to the constant parade of destabilizing nuclear innovations, which have failed to enhance our security.

That is why I joined a bipartisan group of Senators in introducing Senate Joint Resolution 179, calling upon President Reagan to propose to the Soviet Union "the immediate resumption of negotiations toward conclusion of a verifiable Comprehensive Test Ban Treaty."

The administration abandoned CTB negotiations claiming that such a treaty would pose serious verification problems.

Yet the administration has failed to admit to the significant progress which had been made with the Soviets in resolving issues which had seemed insurmountable, on terms proposed by the United States.

Indeed, prior to U.S. withdrawal from CTB negotiations the Soviets had accepted a U.S. plan for conducting onsite inspections to help resolve compliance questions.

This was truly a historic achievement. Failure to reach agreement on the issue of onsite inspections was one of the main reasons it was possible to only conclude a partial rather than a comprehensive test ban in 1963.

In another major breakthrough on verification, the Soviets had accepted a U.S. proposal for deployment of a network of sophisticated seismic monitoring stations on their territory. Such seismic facilities inside the Soviet Union combined with our impressive existing national technical means of verification would give us a very effective basis for verifying a CTB Treaty.

In addition, Soviet willingness to accept these seismic stations on their territory represents a dramatic advance in Soviet attitudes toward verification, with significant implications for future arms control agreements.

Mr. President, as vice chairman of the Senate Select Committee on Intelligence, I can tell my colleagues that the kind of cooperative measures which the Soviets have agreed to in previous CTB negotiations would serve as very valuable principles for our negotiators in Geneva—if they are implemented.

It is ironic that an administration which refuses to have arms control without progress on verification issues would refuse to implement significant breakthroughs that improve the verification capabilities of the United States.

Mr. President, last summer Premier Gorbachev proposed a 5-month moratorium on nuclear testing, through December of 1985. Rather than dismiss Gorbachev's offer as the administration did, it could have used the Soviet proposal as a starting point for the resumption of the CTB negotiations. We could have insisted that the Soviets begin to implement some of the significant onsite inspection procedures to which they had previously agreed in the CTB negotiations.

These are objectives that can be achieved in Geneva. They are small steps which can have significant impact in creating the momentum required for the negotiation of a new treaty. We must have the courage to take these small steps.

THE JERUSALEM COMMITTEE

Mr. KENNEDY. Mr. President, 15 years ago, Teddy Kollek, the mayor of Jerusalem, appointed an international committee to advise him on the planning of the city of Jerusalem. A distinguished collection of planners, architects, theologians, artists, and political administrations from diverse national, religious backgrounds and intellectual persuasions have grappled with the critical planning issues facing any city today—yet in Jerusalem those difficulties are magnified by the unique historic political and religious complexities of the great city of Jersualem.

A recent article in the Boston Globe by the distinguished Brandeis professor of law at Harvard University, Charles M. Haar, outlines many of the unique characteristics of the city of Jerusalem and underscores the great difficulties in preserving a proud cultural heritage within the ferment of social and demographic change.

As Professor Haar writes:

Modern Jerusalem is a quilt of many cultures, nationalities, religious, and ideologies.

Old and new, ancient and modern, eternal and changing all express a diversity and largeness of spirit that the world, growing increasingly nationalistic and exclusionary, could well circulate. Thus Jerusalem, long a symbol of enduring values, continues to be a symbol of survival and cohesion in these troubled times.

I urge my colleagues to read Professor Haar's informative article and ask unanimous consent that it may be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Aug. 20, 1985]

PLANNING A BLEND OF THE OLD AND NEW IN JERUSALEM

(By Charles M. Haar)

Fully 15 years have passed since the irrepressible mayor of Jerusalem, Teddy Kollek, appointed an international committee of distinguished planners, architects, theologians, artists, and political administrators from diverse national and religious backgrounds and intellectual persuasions to advise him on the planning of the city. If this takes political courage in any other city it does so tenfold in the great city of Jerusalem.

Jerusalem has countless faces and multiple realities. There is the metaphysical Jerusalem, the city of utopia arid apocalypse, of memory and desire, transformed by the imaginative power of saints, artists, scholars, and visionaries into a beacon to light the eternal aspirations of humanity. And there is the everyday city with over 400,000 inhabitants grappling with the mundane exigencies of water and sewerage, housing and transportation, and the jobs, facilities, and services that modern urban populations require.

These two themes are in constant public view, both at the grand scale of Jerusalem as a whole and at the smaller scale of Arab-Jewish coexistence at the neighborhood and community level.

This juxtaposition of the grand and the intimate has marked the deliberations of these international gatherings since 1970. The most recent meeting of the Jerusalem Committee this spring was no exception as it went about its task of reflecting on the design of this world center. The focus of the assembly has shifted over time. By comparison with the initial plans, when grandiose visions for the city called forth schemes for urban clearance and development, the emphasis has become more social and less physical, more concerned with how to accommodate diverse urban populations than with creating impressive architectural codes. Still, the framework created early on has been retained—the city-wide parks and greenbelts, the landmark buildings, the glowing stone, all help to preserve the city's historic as well as human scale.

At this year's meeting, the focus on the city's Arab-Jewish relations and on the location and social composition of neighborhoods, both in the center and on the outskirts, made questions of human needs in urban settings central to the discussions. The critical planning issues faced by Jerusalem are, of course, present in many parts of the world. The difference is that in Jerusalem they are magnified by the unique historic, political and religious complexities of this special citadel.

As Jerusalem struggles to fulfill the needs and aspirations of its citizens, age-old questions reemerge. What can phyical planning, architecture, and urban design contribute to the pressing problems of the day? How can a proud cultural heritage be preserved within the ferment of social and demographic change? How can human beings, divided into ethnic enclaves within separate neighborhoods, flourish as one community?

This past year, the stunning revitalization of the Old City culminated in the archeological revelation of the Tower of David. This slender tower looms in the dusk redolent with ancient promises and hopes of multitudes, a symbol of Jerusalem the eternal.

And then there is the contemporary metropolis. Unlike many U.S. cities, Jerusalem suffers no urban sprawl, no devouring of the land by profit-hungry speculator, no waste of the infrastructure. Instead, it has managed to preserve both agricultural land and open space, scenic vistas and historic monuments. Not that Jerusalem has completely avoided sporadic flirtations with freeways or highrises, but in part because of Mayor Kollek's prescience, respect for meeting the human needs within the existing fabric has won out.

Modern Jerusalem is a quilt of many cultures, nationalities, religions, and ideologies. Orthodox Jews vie for space and place with recent immigrants from Ethiopia: Arab populations coexist with settled European communities; scientific and technological centers jostle ancient sites. Old and new, ancient and modern, eternal and changing all express a diversity and largeness of spirit that the world, growing increasingly nationalistic and exclusionary, could well emulate. Thus Jerusalem, long a symbol of enduring values, continues to be a symbol of survival and cohesion in these troubled times.

ADDRESS BY ROBERT J. FITZPATRICK, DIRECTOR OF LOS ANGELES FESTIVAL

Mr. PELL, Mr. President, I would like to call my colleagues' attention to a very fine address given by Robert J. Fitzpatrick, director of the Los Angeles Festival to the National Conference of the American Council for the Arts.

In his address, Mr. Fitzpatrick makes the point that the United States is a world leader, not merely in science, technology and business, but also in the cultural and artistic fields. It is an asset, however, on which we have failed to capitalize. The entire budget of the Arts America Program, that part of the U.S. Information Agency responsible for artistic and cultural exchange, is less than $3 million.

Yet our cultural preeminence can be one of our most effective tools abroad, particularly behind the Iron Curtain and in Third World countries. In Eastern Europe and in the Soviet Union, American visitors are often accosted by citizens of those countries eager to

learn more about American art, American literature, and other aspects of American culture. Showings of American films, or American theatrical performances, are invariably sold out. Even in Moscow, an exhibition of American books can create something approaching a mob scene.

In this address, Mr. Fitzpatrick offers a number of practical suggestions to enhance American cultural diplomacy. In addition to urging a modest increase in the financial resources going to this purpose, Mr. Fitzpatrick puts forward the idea of creating a "super cultural affairs officer" in some of our major Embassies. As Mr. Fitzpatrick points out, other countries have undertaken such a program and have benefited greatly from it.

As a result of legislation I offered, and with the strong support of USIA Director Charles Wick, our educational exchange programs have nearly doubled since 1981. As a result, the numbers of participants in the Fulbright academic exchange programs and in the international visitor programs have approached their historic high of the mid-1960's. The benefit of having teachers, scholars, and leaders in other countries familiar with American society and political life is certain to be significant in the years to come.

It is long past time for us to undertake a similar rebuilding of our artistic and cultural diplomacy.

Mr. President, I ask that the text of Mr. Fitzpatrick's remarks be included in the RECORD.

The text follows:

NEW CONNECTIONS IN THE ARTS: A CULTURAL FOREIGN POLICY FOR AMERICA

(Address by Robert J. Fitzpatrick)

Quite simply stated, the current practice of cultural diplomacy by the United States is clearly inadquate and frequently embarrassing. The United States is a world leader, not just in agriculture, science, technology and business, but also in most cultural and artistic fields; unfortunately, however, this country does not begin to derive the benefits which our position could offer. We consistently fail to use those things which could create a climate of tolerance and understanding, interest and excitement which could only be beneficial to the United States.

At the same time we are often ignorant of other cultures in a way that has become extremely dangerous for us. In a country with a substantial and growing Hispanic population, we remain willfully ignorant of the language, literature and culture of Latin and South America. For parts of Texas, Florida and California, where the Latin population will be a majority by the year 2000, this is a dangerous kind of ignorance that can make a city unliveable.

In addressing these problems I am not suggesting the creation of a Ministry of Culture nor necessarily suggesting the removal of cultural relations from the USIA or the State Department

I am suggesting, however, that it is totally inappropriate to tell cultural attachés that their principal task is to explain the foreign policy of this President and to suggest that if they want to get involved with "cultural activities" it should be done in spare time.

I recognize the legitimate and genuine need for an effective information program to support our foreign policy, but I lament the failure to distinguish between propaganda needs and those of a cultural program which has different objectives, different methods and a decidedly different time frame.

I think the time has come for a serious public examination of our cultural foreign policy.

I think the time has come to separate the propaganda and information function from the intellectual and artistic responsibilities of cultural attachés.

I think the time has come to evaluate the selection, training, mandate, and supervision of our cultural affairs officers abroad.

I think perhaps the time has even come to appoint a "super cultural affairs officer" in some of our major embassies, and to invite some of America's distinguished artists and intellectuals to participate in public service for two or three years.

Mexico did not find its foreign policy weakened by having Octavio Paz as its Cultural Attaché and subsequently Ambassador in several foreign countries. France did not find its interests poorly served by having Saint Jean Perse and other distinguished artists and intellectuals serving in embassies from Washington to Moscow. Greece did not find it inappropriate to appoint Melina Mercouri to be Minister of Culture with a mandate to engage in cultural diplomacy in major capitals of the world. America would not be embarrassed by having its poets and playwrights, painters, photographers, choreograpers and dancers, serving in embassies in Budapest, Brasilia or Beijing.

Any successful effort to improve our cultural diplomacy, however, must be a joint public-private undertaking. In this we differ from other nations. Our diplomatic relations are public and official, but our cultural life springs decidedly from the private sector with little or no government involvement and certainly no government control.

There is another reason for private sector involvement, and that is money. It is unlikely that the American government in the immediate future will devote substantial new dollars for cultural diplomacy, yet present funding for international exchange is clearly not enough.

The budget of Arts America, the division of the United States Information Agency responsible for international exchange, is less than $3 million for 150 countries. This translates into a cultural exchange budget for a country like Ireland of $17,000 of which $16,200 was used one year for advance work for a Presidential trip. It means less than $20,000 for a country like Italy whose help we need in host of areas, and scarcely more for a country like Japan where we desperately need to make friends and create a better understanding of our culture.

Present policy is so perverse that we seem interested in fostering exchanges only with our moderate enemies and not with our friends nor with countries like the Soviet Union where our problems are the most severe.

During the four years and 400,000 miles involved in organizing the Olympic Arts Festival and now in organizing the 1987 Los Angeles Festival, the most frequent question from ministers of culture and heads of state is, "Why is the United States so disinterested and so unwilling to share its culture and to welcome others?"

Jack Lang complains with considerable justification that France is asked not only to fund French artists coming to the United States but American artists coming to France. Sekou Touré, the late President of Guinea, complained that he could get an agricultural advisor within two weeks but in ten years he had not been able to get a single cultural group to his part of Africa. Melina Mercouri, in conversation today, indicated that in order to change the somewhat anti-American sentiment in Greece she would like to organize an American festival in Greece and a Greek festival in the United States, but she could find no interlocutor, no government agency with an interest, a mandate or a budget to become involved in the project.

Other countries have wisely taken a different approach. When the President of China visited the United States recently, the first item on his agenda with Mayor Bradley of Los Angeles was to ask if another Chinese performing company could participate in the 1987 Festival, since the Chinese appearance during the Olympic Arts Festival in 1984 had resulted in so much good will and a better understanding of China.

The United States has paid attention to cultural foreign policy only as negative leverage. It is used as the first and mildest form of diplomatic rebuke in difficult times, but it is hard to imagine there is anyone inside the government or out who truly believes that peace is fostered, detente encouraged and understanding increased by denying Soviet artists the right to perform in the United States and by preventing American artists from performing in the U.S.S.R. It is hard to imagine that linking the signing of a cultural exchange agreement between the United States and the U.S.S.R. with other agreements on air safety and a host of other issues has contributed to better relations between our two countries.

In 1961, shortly after he was inaugurated, John Kennedy stated, "Art is not a form of propaganda but an instrument of truth . . . in a free society, art is not a weapon."

It is worth remembering this caveat today as we seek to develop for the first time an American cultural foreign policy.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I have been discussing the program for today with the distinguished minority leader, and I think his suggestion is a good one, that we take up the State Department, Justice, and Commerce appropriations bill and set aside the farm bill until at least 1 o'clock. If we are near completion at 1 o'clock on the appropriations bill, we can even extend that period.

I also advise my colleagues who may be monitoring in their office that we do have the debt-ceiling problem

today. My understanding is the House of Representatives may have their first vote around 12:30 p.m. and then, depending on what happens on the first vote on the so-called Democratic plan, if that fails, then there will be a Republican plan that will come at 3:30 p.m. or 4 p.m., and that has to be sent over to the Senate, and we have to take action of some kind.

I urge my colleagues or at least alert my colleagues that there is a possibility of a late afternoon or evening session. So they can adjust themselves accordingly.

It is also my hope that we can have a vote on the farm bill today, at least on the pending amendment, one way or another get a vote on that amendment to indicate that we are making progress. It seems to me once we have a vote on the commodity section many of the other 60-some amendments will disappear.

I think I have clearly stated the initial agreement. Is that correct?

Mr. BYRD. Mr. President, I thank the distinguished majority leader. If he would specifically suggest 1 o'clock rather than "at least."

Mr. DOLE. I said not before 1 o'clock.

Mr. BYRD. I thought the Senator said at least 1 o'clock. If he said 1 specifically there would be no objection.

Mr. DOLE. By 1 o'clock. We stay on this bill until 1 o'clock and maybe beyond if we are making real progress.

Mr. BYRD. As I understand the request, then, the farm bill would be temporarily laid aside until 1 o'clock.

Mr. DOLE. That is correct.

Mr. BYRD. I thank the majority leader.

Mr. DOLE. I also indicate to my colleagues we will probably have at least two or three votes on the pending bill. One will come very quickly on the amendment of the distinguished Senator from New Jersey.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1986

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 338, H.R. 2965, the State-Justice-Commerce appropriations bill and that under the earlier agreement with the distinguished minority leader we stay on this bill until 1 o'clock at least.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2965) making appropriations for the Departments of Commerce, Justice, and State, and Judiciary, and related agencies for the fiscal year ending September 30, 1986, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate resumed consideration of the bill.

Pending:

Helms-Armstrong Amendment No. 884, to provide that no funds provided under the Act shall be used to pay for abortions for which Federal funds are not available under the Medicare program (title XIX of the Social Security Act).

Mr. RUDMAN. Mr. President, the pending business at this time is the Helms amendment; is that correct?

The PRESIDING OFFICER. That is the pending amendment.

Mr. RUDMAN. There has been unanimous consent to lay aside the committee amendment in order to consider the Helms amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Senate be allowed to lay aside the pending Helms amendment and that at the conclusion of the consideration of the next amendment, it then again become the pending business.

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

AMENDMENT NO. 941

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] (for himself and Mr. BRADLEY) proposes an amendment numbered 941.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 11, after line 23, insert the following new section:

SEC. 105. None of the funds made available in this or any other Act shall be obligated or expended to plan to relocate, or to relocate the National Marine Fisheries Service's Sandy Hook Laboratory, or any of its activities or programs, out of New Jersey.

Mr. LAUTENBERG. Mr. President, I have a simple amendment which I understand is acceptable to the managers of this bill.

Mr. President, a few weeks ago, on September 22, 1985, a fire destroyed a portion of the Sandy Hook Laboratory. This laboratory conducts research which has led to significant advances in our understanding of the marine ecosystem. My amendment provides for the building of this important research facility in New Jersey.

The laboratory, which was established by Congress in 1960, is devoted to the study of marine life. Its work has led to significant advances in our understanding of the marine ecosystem and to addressing marine pollution problems off the New Jersey coast. Over the last 4 years, the Congress, recognizing the importance of this laboratory, has consistently rejected the administration's attempts to discontinue funding for some of the laboratory's research efforts.

The Senate Appropriations Committee was concerned about the loss of this facility and the impact this loss will have on ongoing efforts to increase our understanding of the marine environment. To begin to address this loss, the committee's report on the Commerce, State, Justice appropriations bill requests that the Administrator of the National Oceanic and Atmospheric Administration submit to the committee by February 1, 1986, a report outlining options and associated cost estimates for permanently replacing the facility in New Jersey, and the agency's preferred option. The report also shall discuss the adequacy of the remaining facilities of the laboratory for conducting research activities.

Unfortunately, I understand that there have been some efforts to use the fire at the laboratory as an excuse to dispose or eliminate its functions. These efforts are inconsistent with the language in the Senate Appropriations Committee report which assumes NOAA will replace the destroyed facility in New Jersey.

My amendment will preclude any efforts to move the Sandy Hook Laboratory. It prohibits NOAA from spending any funds to plan to move the laboratory or any of its programs or activities out of New Jersey. This will give NOAA an opportunity to prepare the report requested by the Senate Appropriations Committee and will provide the committee with a chance to review the various options for rebuilding the destroyed building in New Jersey.

Mr. President, New Jersey has a long coastline of some 370 miles. Along this coastline are some of the most beautiful beaches on the east coast, a fragile ecology, and extensive fisheries resources. New Jersey's economy is heavily dependent on keeping our coastal waters healthy. Our tourist industry, along with a more than $1 billion per year commercial and recreational marine fishing industry, depend on the health of our coastal waters. The Sandy Hook Laboratory's research and monitoring efforts have played a critical role in identifying the sources of degradation of these waters and addressing marine pollution problems off

our coast. It is essential that the Sandy Hook Laboratory continue to perform these functions.

Mr. President, I ask unanimous consent to have printed in the RECORD an article describing the valuable work of the Sandy Hook Laboratory from the Newark Star Ledger.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOSS OF LAB IN FIRE LEAVES A BIG VOID IN MARINE SCIENCE

(By Kitta MacPherson)

The giant, Victorian-sized windows that once looked out on the cobalt-blue harbor of Sandy Hook Bay are gone now. Only a charred hulk of the three-story building remains, looking as forlorn as any shipwreck.

Gone also are the pipes that supplied running sea water and the holding tanks for the schools of bluefish that were once housed in the structure. The everyday equipment that almost defines laboratory life like test tubes, microscopes and vials of chemicals are nothing more than black rubble now. Of all the debris, most disquieting though are the scraps of lab notebooks containing scientific data accumulated through countless experiments, expeditions and random thoughts.

The National Marine Fisheries Center at Sandy Hook is still operating shy of its principal laboratory building which was gutted in a deliberately set fire Sept. 21. That is, its displaced scientists have been moved into makeshift quarters at the lab's administration building, which had already contained some labs. The principal task before the relocated researchers is to sort through what has been retrieved and to assess the extent of the loss and what must be done to recover.

It is an immense task.

In some cases, it is difficult to know where to begin. The library had housed 35,000 volumes representing the best collection anywhere concerning marine science. With the card catalog among the missing, it will be difficult, to say the least, to reassemble such an assortment. The lack of a facility also handicaps researchers working on studies in the highly inter-disciplinary marine sciences, since they must go elsewhere every time they need to consult reference material.

Samples representing the catches of month-long scientific voyages up and down the East Coast were killed in the blaze. Research reports that took months of interpreting data, making calculations and culling reference materials are gone.

No one is sure just what the impact on science will be. The 25-year-old lab, funded by the federal National Oceanic and Atomospheric Administration (NOAA), represented to many an unbiased, objective eye on the state of the East Coast marine environment. One of the tops of the country in its discipline, its responsibilities covered the habitat between Cape Hatteras and Nova Scotia.

Perhaps more than most areas, New Jersey residents benefited enormously from the lab's research. To speak the obvious, the Jersey shore is an integral part of the state's economy. It's contribution to the tourism industry, through recreational fishing and swimming, as well as the booming population growth in the regions close to it, have been well documented. In short, it is vital to the Garden State that the marine environment be preserved. Nobody wants to swim in or eat fish out of dangerously polluted water. Nobody will want to live near it either.

Without the power to regulate or really to point fingers, scientists at the lab for years have been quietly studying our changing marine environment. The area known as the 12-mile dump site a dozen miles east of Sandy Hook where New York and New Jersey dump their concentrated sewage has been a focus of study for the scientists for years. Now that the states under congressional mandate are preparing to release the sludge farther out in the ocean, the lab's continued research in the area will be of particular importance.

Of course, the science spans more than sludge sites. If cod eggs are changing for the worse, or if the bluefish breeding off New Jersey's shores should move elsewhere to breed, the scientists will know and they will try to understand why. They have the expertise and years of data to back up their findings. Commercial and recreational fishermen also know they have friends in the lab's scientists, who have always consulted with them.

A lot of people besides lab personnel are worried about the facility's future. The 99-year-old building that contained the lab, built as an Army hospital, may be unfit for renovation since it is deemed "historic" and is the property of the National Park Service which manages Gateway National Park at Sandy Hook.

Legislators are trying to do their part Sen. Frank Lautenberg (D-NJ) and Rep. James Howard (D-3d Dist.) have launched efforts calling upon Congress to underwrite the restoration of the laboratory. But the federal funding picture is uncertain. The federal budget deficit is a key topic this year, making funding outlays difficult to engineer. Also, NOAA has not been a big winner in the budget battles of recent years.

It is time for New Jersey to step in. The New Jersey Marine Sciences Consortium, operating through federal and state funding, already exists in the state with its scientists conducting research. In addition, the New Jersey Commission on Science and Technology this summer established a "technology extension center" in fisheries and aquaculture to aid and eventually help modernize the industry.

But these programs are hardly enough to represent what should be the true scope of the state's research investment in marine science. Perhaps a "center of excellence" including the efforts underway as well as the federal laboratory is what is needed.

If the fire-gutted lab flounders because of funding problems, we will have ourselves, among others, to blame.

Mr. LAUTENBERG. Mr. President, just to summarize the statement that I made. This amendment reconfirms the building of this important research facility in New Jersey.

Mr. President, I urge adoption of this amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. RUDMAN. Mr. President, the amendment offered by the Senator from New Jersey is acceptable on this side and I believe it is acceptable on the other side as well.

Mr. HOLLINGS. Mr. President, it is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 941) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 942

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the amendment?

Mr. RUDMAN. Mr. President, I renew my unanimous-consent request that the pending amendment offered by the Senator from North Carolina [Mr. HELMS] and the committee amendment both be temporarily laid aside and they become the pending business at the conclusion of the discussion and action on the amendment to be offered by the Senator from New Jersey.

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

The amendment will be stated.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes an amendment numbered 942.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . The United States' share of amounts budgeted by the United Nations and its specialized agencies for projects or entities which benefit the Palestine Liberation Organization shall be withheld from funds provided in this Act for assessed contributions to International Organizations.

Mr. LAUTENBERG. Mr. President, this amendment will prohibit U.S. dollars contributed under the assessed U.S. contribution to the United Nations from being provided to the PLO. U.S.-assessed contributions go to support the U.N. Secretariat among other functions. The Secretariat includes the division on Palestinian rights and the committee on the exercise of the inalienable rights of the Palestinian people. The committee holds meetings and symposia and lectures at schools and colleges on Palestinian issues; the division on Palestinian rights provides administrative services to the committee. My amendment will make clear that the United States does not intend for any of its assessed dues to go toward support of these units of the Secretariat.

Mr. President, I have discussed this amendment with the managers of the bill and they have no objection to it. However, I believe that this issue is important enough, given recent events, that the Senate should go on record on the amendment. Therefore, at the conclusion of my remarks, I will ask for the yeas and nays.

Mr. President, this amendment is consistent with longstanding U.S. policy that we do not provide financial support to the PLO. For the last several years, the foreign assistance appropriations bill has prohibited the use of U.S. voluntary contributions to the United Nations for any programs for the PLO. Voluntary contributions to the United Nations, unlike assessed contributions, are determined by each donor country. This year's foreign assistance appropriations bill carries similar language as bills in prior years. No U.S. voluntary contributions to the United Nations can be used for programs for the PLO.

In addition, since 1980, the State Department authorization bill has contained language that reduces the U.S. assessed contribution, which is 25 percent of the U.N. budget, by the amount that would have otherwise been committed to projects that benefit the PLO. Pursuant to this restriction, the State Department has been withholding approximately $1 million from the United Nations and UNESCO until we withdrew from UNESCO in the first of the year.

My amendment is consistent with the policy established in the State Department authorization bill. It is important that this prohibition of use of U.S. funds by the United Nations for assistance to the PLO be reaffirmed in the Commerce, Justice, State appropriations bill because the appropriations process is the final arbiter of how this country actually spends its money.

We must reaffirm that America will not provide financial support to the PLO since the PLO represents the antithesis of American values and morality. It is committed, on paper and in practice, to the destruction of one of our closest allies, Israel. And terror is its chosen means of achieving its goals. Recent events only confirm this conclusion.

Mr. President, the PLO charter, which sets out the operating principles of the organization, makes this crystal clear. The PLO charter defines all of Israel as part of Palestine, and describes "armed struggle" as the only way to liberate Palestine. The charter asserts that participation in the armed struggle is the first priority for Palestinians, and that the Palestinian people reject all solutions which are substitutes for total liberation of Palestine.

The PLO's actions confirm its belief in that charter. The PLO recently jettisoned a planned meeting with British Foreign Secretary Sir Geoffrey Howe because its representatives would not sign a statement acknowledging Israel's right to exist and renouncing terrorism. And the PLO's role in the hijacking of the *Achille Lauro*, where hundreds of innocent vacationers were terrorized for 2 days and a wheelchair-bound American Jew was brutally killed, becomes daily more apparent.

In addition, the PLO has claimed responsibility for hundreds, if not thousands, of terrorist acts against innocent civilians, not only Israelis, over the last decade. The Israeli Government recently released a document containing classified intelligence indicating that since the February 11, 1985, signing of the Hussein-Arafat agreement, 380 terror attacks or attempted attacks have been launched against Israel, resulting in 19 deaths and more than 100 persons wounded.

The PLO is committed to terrorism, not peace. They reject U.N. Resolution 242. They reject direct negotiations with Israel. They reject American peace proposals. They are committed to the promotion of terrorism against Israel and anyone who may be blackmailed into supporting their goals. They do not deserve our aid. Yasir Arafat's continued failure to indicate his acceptance of U.N. Resolutions 224 and 338 only confirms these conclusions.

Mr. President, if America is truly opposed to terrorism, we should put our money where our mouth is. We should stop financing groups whose modus operandi is terrorism. I urge my colleagues to support this amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that Senator WILSON of California, may be added as a cosponsor.

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

Mr. RUDMAN. Mr. President, the Senator from New Jersey is correct. The managers of the bill are in agreement with the Senator from New Jersey. I understand his desire to demonstrate the strong support of the U.S. Senate for the position articulated in the amendment. I believe we are probably ready for a vote, unless my friend from South Carolina wishes to comment.

Mr. HOLLINGS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the clerk will call the roll.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. COHEN). Without objection, it is so ordered.

The question now recurs on agreeing to the amendment of the Senator from New Jersey. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. HEINZ], the Senator from Alaska [Mr. STEVENS], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. HEINZ] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Connecticut [Mr. DODD], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Montana [Mr. MELCHER] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 90, nays 2, as follows:

[Rollcall Vote No. 271 Leg.]

YEAS—90

Abdnor	Garn	Metzenbaum
Andrews	Glenn	Mitchell
Armstrong	Gore	Moynihan
Baucus	Gorton	Murkowski
Biden	Gramm	Nickles
Bingaman	Grassley	Nunn
Boren	Harkin	Packwood
Boschwitz	Hart	Pell
Bradley	Hatch	Pressler
Bumpers	Hatfield	Proxmire
Burdick	Hawkins	Pryor
Byrd	Hecht	Quayle
Chafee	Heflin	Riegle
Chiles	Helms	Rockefeller
Cochran	Hollings	Roth
Cohen	Humphrey	Rudman
Cranston	Inouye	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
DeConcini	Kennedy	Simpson
Denton	Kerry	Specter
Dixon	Lautenberg	Stafford
Dole	Laxalt	Stennis
Domenici	Leahy	Symms
Durenberger	Levin	Thurmond
Eagleton	Long	Trible
East	Lugar	Warner
Evans	Mattingly	Weicker
Exon	McClure	Wilson
Ford	McConnell	Zorinsky

NAYS—2

Goldwater	Mathias

NOT VOTING—8

Bentsen	Johnston	Stevens
Dodd	Matsunaga	Wallop
Heinz	Melcher	

So the amendment (No. 942) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I yield to the majority leader.

ANNOUNCEMENT ON DEBT LIMIT EXTENSION

Mr. DOLE. Mr. President, I want to make an announcement for some of my colleagues who were not around earlier. We indicated earlier that we hoped to complete our action in the Senate today by 4 o'clock. That is still our hope. I want to alert my colleagues on both sides that there is another little ingredient we did not anticipate. That is the debt limit extension. The House is not going to start voting until around 12:30 today. That is the first vote. There could be a second vote to come around 3:30. We will have to take some action.

I suppose I should apologize to my colleagues for not anticipating that, but I am at least alerting them that what we hoped would be 4 o'clock departure could be postponed depending on the House action.

If that package then comes to the Senate, it is hoped we could have a vote fairly soon, but that is a possibility that may happen.

Mr. BYRD. Mr. President, I wish to underline what the distinguished majority leader has just said. Senator CHILES is here. If he would like to say anything on this point, I think it is urgent that Members on both sides be well aware of what the problems are and what the probabilities may be and then schedule their departures accordingly.

Mr. DOLE. Mr. President, I am happy to yield to the Senator from Florida.

Mr. CHILES. Mr. President, I just concur in what the majority leader said. That is that I have learned from the House that it will probably be at least 3 p.m. before they finish any action they take and by the time the papers can get here, it has to be after 4. I think Members ought to be on notice that if we are going to do something about the debt limit today, it might not be a good time to be home if we had not done something.

Mr. DOLE. That is correct. I think it is a tough situation. My view is that Members ought to catch later flights.

COMMERCE, JUSTICE AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS, 1986

The Senate continued with consideration of the bill (H.R. 2965).

Mr. RUDMAN. Mr. President, I ask unanimous consent that the pending Helms amendment and the pending committee amendment be temporarily laid aside but would then be in order as the next order of business at the conclusion and disposition of the next amendment.

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

TIME LIMITATION AGREEMENT—AMENDMENT NO. 943

Mr. RUDMAN. Mr. President, before yielding the floor, I wish to ask the distinguished Senator from Rhode Island if he can tell us how long this amendment might take. My understanding is that it might take 10 or 15 minutes on this side.

Mr. CHAFEE. That is not my understanding. On this side, I would think it would take a half to three-quarters of an hour because we have several people wishing to speak. Therefore, that would add up to an hour and a half equally divided, which would be agreeable to me. If the other side were shorter, fine. If we are shorter, we can yield back, but I shall have to let them decide.

If there is a time urgency here—are there amendments stacked up? I got the impression that we are waiting for things around here. I would feel more confortable with an hour and half equally divided, but if this is a strain, I would take an hour equally divided.

Mr. RUDMAN. Mr. President, if I could respond to the Senator from Rhode Island, it is my belief we could probably dispose of this within an hour, assuming it is all right on the other side of the aisle, and I think it is.

If we could agree on a 1 hour timeframe we could possibly propound a unanimous-consent request.

Mr. CHAFEE. All right, let us go with an hour equally divided.

Mr. RUDMAN. Mr. President, I ask unanimous consent that on the Chafee amendment, which I believe will be the next amendment to be considered, the time be 1 hour divided equally, 30 minutes to a side.

Mr. BYRD. Mr. President, reserving the right to object, and I shall not, if it is agreeable with the two managers, could we add a provision that there be no amendments in order to this amendment?

Mr. RUDMAN. I would be amenable to that.

Mr. BYRD. I am concerned that some strange amendment might come in with no time left to debate it.

Mr. RUDMAN. I so amend my unanimous-consent request, Mr. President.

Mr. CHAFEE. Mr. President, since it is my amendment, I would like to be consulted. What is the request?

Mr. HOLLINGS. That there be no amendment to the Senator's amendment.

Mr. CHAFEE. I agree to that.

The PRESIDING OFFICER. Without objection, it is ordered.

AMENDMENT NO. 943

(Purpose: To cut funding for the Economic Development Administration)

Mr. CHAFEE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE] for himself, Mr. HUMPHREY, Mr. ARMSTRONG, Mr. DOMENICI, Mr. BOSCHWITZ, Mr. NICKLES, Mr. SIMPSON, and Mr. PROXMIRE, proposes an amendment numbered 943.

On page 2, beginning with line 23, strike out all through line 10 on page 3.

On page 3, line 14, strike out "$24,450,000" and insert in lieu thereof "$15,000,000".

Mr. CHAFEE. Mr. President, the cosponsors of this amendment are Senators HUMPHREY, PROXMIRE, ARMSTRONG, DOMENICI, BOSCHWITZ, NICKLES, and SIMPSON.

Mr. President, if I could have order, please?

The PRESIDING OFFICER. The Senate appears to be in order; more order than I have seen this morning.

Mr. CHAFEE. That is splendid. I hope it continues to be that way.

What this amendment does is delete funding for the Economic Development Administration. The Economic Development Administration is no longer needed and, under the budgetary constraints the Nation is currently operating under, we can no longer afford it. Frankly, Mr. President, if we were starting from scratch with a $200 billion deficit and somebody came to this floor and said, "Let us start an EDA program," it would not get a single vote, in my judgment. We would not launch into this program. What my amendment does is delete $160 million in appropriated funds for EDA's grant assistance programs.

It also terminates authorization for a loan guarantee program of up to $150 million. We retain $15 million to provide salaries and expenses for 1 year during the termination phase.

Mr. President, in May, the Senate adopted a budget plan to reduce the deficit by $56 billion in the next fiscal year and by nearly $300 billion over the next 3 years. The Senate plan provided for greater savings than both the House budget and the final conference agreement.

The greatest distinction of the Senate's plan was that it provided for a sense of priorities. If we can characterize that sense of priorities, it was that we supported people programs and cut back on "thing" programs. Mr. President, this is clearly a "thing" program. It does not help provide nutrition for expectant mothers, it does not help poor families on welfare, it does not provide educational opportunities for

youngsters in America. It is a "thing" program. I just believe that there comes a time when there has to be a sense of priorities.

At this time, Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Times of March 31, 1985, which reports on a very fine speech that was given by the senior Senator from Massachusetts [Mr. KENNEDY] at Hofstra University, Long Island. This is what the senior Senator from Massachusetts said:

"The mere existence of a program is no excuse for its perpetuation—whether it is a welfare plan or a weapons system," he continued. "Too much of the public housing that was built in past decades, too many of our public service jobs and public assistance programs have done too little to break the cycle of poverty and dependence, and too often they have proved to be counterproductive."

He warned his party "against simply imitating Republican programs. 'We must offer new ideas.' "

Mr. President, what the Senator from Massachusetts was saying is that because a program is there does not mean it has to be perpetuated.

Mr. Kennedy's remarks were welcomed today by Robert C. Byrd, the West Virginia Democrat who is the Senate Minority Leader.

Senator George J. Mitchell, Democrat of Maine, echoed that view. "Sure I agree with him," he said of Mr. Kennedy.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW APPROACHES ASKED BY KENNEDY

(By Fay S. Joyce)

Senator Edward M. Kennedy, who for many years has symbolized Democratic Party Liberalism, has summoned his party to search for "new approaches" to the needs of the country, if it is to win back the faith of the people.

In a speech at Hofstra University on Long Island Friday and in remarks to a group of other Democratic Senators yesterday in West Virginia, Mr. Kennedy apparently sought to shift both his party and his own political image toward the center.

"One thing is certain," he said in the Hofstra speech. "We cannot and should not depend on higher tax revenues to roll in and redeem every costly program. Those of us who care about domestic progress must do more with less."

"The mere existence of a program is no excuse for its perpetuation—whether it is a welfare plan or a weapons system," he continued. "Too much of the public housing that was built in past decades, too many of our public service jobs and public assistance programs have done too little to break the cycle of poverty and dependence, and too often they have proved to be counterproductive."

It was the Massachusetts Senator's first policy address since Walter F. Mondale's crushing defeat in the 1984 Presidential campaign, and it reflected continuing debate within the party over how the Democrats can best recover from that loss.

In an interview from Shepardstown, W.Va., where he joined 36 other Senate Democrats meeting to assess their party's needs, Mr. Kennedy said his views should not be seen as an abandonment of trandi-tional liberal concerns for equality, comparison and assistance for the poor. "We cannot abandon the fundamental values," he said.

But in several areas, including welfare reform, hospital costs, and education, he continued "you could get more value for the dollar." In Massachusetts, programs like educational training are helping to cut welfare rolls, he said, and such programs should be preserved.

As he took a break from the Democratic meeting, Mr. Kennedy said he hoped that the Friday address he gave in Hempstead, LI., had outlined "useful paths" for the Democratic Party to guide them in debates before Congress and in winning back public confidence.

SOME FAILURES CITED

He asserted that some of his party's programs had failed. He called on the party to "reinvigorate itself" with new ideas and shed its image as the captive of constituency groups such as labor, women and minorities.

"We must understand that there is a difference between being a party that cares about labor and being a labor party," he said. "There is a difference between being a party that cares about women and being the women's party. And we can and we must be a party that cares about minorities without becoming a minority party."

"We are citizens first—and constituencies second," he said to sustained applause.

He also warned Democrats against simply imitating Republican programs. "We must offer new ideas, but they must be more than retreads of the reactionary postrums of this day," the Senator said.

"Our truest challenge is not to abandon our identity, but to be what we have been at our best—an agent of progress, ready to refine our policies, anxious to refresh our faith and unwilling to retreat from fundamental principles," he told an audience gathered at Hofstra to study the Administration of his slain brother, John F. Kennedy.

With speculation already beginning about who might run for President in 1988, the Senator's remarks reflected his determination to be at the forefront of the debate over the party's future. Mr. Kennedy has been keeping open the possibility that he might seek the Presidency again and aides said that regardless of whether he does, he intends to help shape the party's course.

COMMENTS ON REAGAN

Mr. Kennedy's remarks were welcomed today by Robert C. Byrd, the West Virginia Democrat who is the Senate Minority Leader. "I think everybody knows some programs have failed," he said in an interview, "but the Democratic Party has always been willing to experiment."

Senator George J. Mitchell, Democrat of Maine, echoed that view. "Sure I agree with him," he said of Mr. Kennedy. Reflecting the growing consensus among Democrats that the party must be seen as standing for something other than protecting popular spending programs, Mr. Mitchell asked, "Is there anyone who hasn't said that in the last six months?"

In his Hofstra address, Mr. Kennedy credited President Reagan with restoring the presidency "as a vigorous, purposeful instrument of national leadership." Although he criticized the president on a number of foreign and domestic policy fronts, he suggested the Republican's victory had been a genuine one and not a victory based on an effective television presence.

"The critical question" is not what voters failed to see, he said, "but what we failed to show."

Mr. CHAFEE. Mr. President, the Economic Development Administration is a program whose time has come and gone. At least we thought it was gone. Mr. President, I serve on the authorizing committee for this program, which is the Environment and Public Works Committee. That committee has jurisdiction over EDA. The committee that oversees the program has not seen fit to reauthorize it since 1982. Yet, it shows extraordinary resilience for some peculiar reason. It is the Rasputin of Federal programs. It cannot be killed off for some reason. It refuses to die. Since 1982, when the committee stopped authorizing it, it keeps coming back, despite the annual growth of the deficits from $127 billion to currently over $200 billion.

Now, the bill before us includes, as I say, $160 million for EDA next year. That may not sound like a mammoth sum; cutting out $160 million is not going to balance the budget. I agree with that, but again let me say, Mr. President, if EDA did not exist and somebody came to this floor and said, "I propose the commencement of a program called EDA," despite the fact we are running $200 billion deficits, I doubt if it would get a vote. I doubt if those who are going to rise with emotional appeals for the sustenance of EDA would vote for the commencement of this program if it were not there.

Mr. President, here we are, right down to really a gut choice. Do we want to do something about the deficits? Do we want to do something about the handicaps that are placed upon our manufacturers who are trying to compete abroad with the high dollar, with high interest rates? Or, do we want to get the deficit down so that our manufacturers abroad can complete in a more equitable fashion? Every dollar we add to the deficit means fewer jobs for American workers. It means a decline in our standard of living.

Mr. President, I ask if the Chair would be good enough to let me know when 10 minutes of my time have expired. How much time has gone now?

The PRESIDING OFFICER. The Senator has consumed 6 minutes.

Mr. CHAFEE. I thank the Chair. If the Chair would alert me at 10 minutes, I would appreciate it.

Mr. President, EDA was created to spur public works investment in our Nation's most distressed communities. I call the Chair's attention to this statistic. This was a program to help depressed areas of our Nation. At the outset, 12 percent of the Nation was

eligible. But since no self-respecting Congressman or Senator could pass up this pork, they kept enlarging the definition of depressed areas so that currently 85 percent of the United States of America is classified as a depressed area in order to qualify for this money. I do not know whether Grosse Pointe is in there, I do not know whether Palm Springs is in there, or Stuart, FL, but I would not be surprised if they are there to get a little bit of this handout.

Mr. President, we have here a report from the inspector general regarding the performance of EDA in connection with a program that we passed in 1983. It does not pertain to the overall performance of EDA in connection with every program. It is a report on EDA's performance in just one program, but gives us an indication of what kind of an agency it is. Now, that report deals with the Emergency Jobs Act we passed 2 years ago. EDA was handed $100 million. The goal of the Jobs Act was to stimulate employment quickly in areas suffering high unemployment. What have been the results? Listen to these findings on that particular program:

The EDA Jobs Act program equated to employing 294 people for a year at a cost to the Federal Government—

This is the report of the inspector general of the Commerce Department.

—of $334,000 for every job created. Nearly 2 years after the passage of the act, EDA had only distributed about $54 million of the $100 million for the emergency jobs program. No effort was made—

This is not my language. This is the report language.

No effort was made to target the jobs to the unemployed. EDA refused to heed warnings in a previous audit report which could have improved its administration of the program.

The inspector general's report adds to the evidence that EDA is not accomplising its No. 1 goal, which is the creation of jobs.

Now we move to the guaranteed loan program for various EDA projects. It has been an unmitigated disaster. Of EDA's $560 million portfolio of direct loans or acquired loan guarantees, 60 percent are now delinquent. It has approved loans for poor projects with little assurance about the borrower's ability to repay them and has given little attention to debt collection.

The PRESIDING OFFICER. The Senator has consumed 10 minutes.

Mr. CHAFEE. One more minute, Mr. President.

In 1981 EDA attempted a bulk sale of some of its loans and was offered less than 15 cents on the dollar.

Now, funding for EDA was eliminated, as I say, in the Senate budget plan this year. During the debate an amendment was offered to restore funding for EDA and several other programs, and that was rejected by a vote of 52 to 44.

Mr. President, in conclusion, let me say that there may be somebody who can get up on this floor and say EDA has done something splendid in Columbia, SC, or Augusta, ME, or someplace else. But the point of the debate, Mr. President, is would we go ahead with this program if it did not exist? Should we continue funding a program that has not been authorized since 1982 and spend $160 million, plus guarantees of $150 million?

Mr. PROXMIRE. Will the Senator from Rhode Island yield for 5 minutes?

Mr. CHAFEE. I yield to the Senator from Wisconsin 5 minutes.

Mr. PROXMIRE. Mr. President, I rise in enthusiastic support of the amendment by the Senator from Rhode Island. He is absolutely right. Get that figure he had to rush through, $334,000 for each job. You could invest that at 10 percent interest and finance two jobs. This is only one job that EDA can come up with at $334,000.

Now, I congratulate the Senator from Rhode Island for offering the amendment. If we cannot cut off money for the EDA, then we might as well run up the white flag and surrender to the deficit. If you are looking for waste, a purest ray serene, as the poet who is presiding over the Senate today might put it, then the EDA is the real McCoy. It is to waste and abuse what the North Pole is to ice and snow.

Mr. President, if we give the EDA any more of the taxpayers' money to waste, then shame on us. There is an old saying, "Fool me once, shame on you; fool me twice, shame on me."

EDA has fooled us a number of times. Let me give some examples.

Back in 1979, the EDA helped build a community center, spending $179,000 of the Federal taxpayers' money. Mr. President, that center was so utterly useless that when it collapsed, no one noticed it. That is right—it fell down, but no one noticed that it was gone.

HUD and EDA started on this fiasco in 1975. They paid for a building and a road to it.

Days passed, months went by, the seasons changed, snows fell and melted, and no one used the community center or even knew it was there.

Finally, in 1979, a sharp-eyed woodsman noticed a collapsed building, forlorn, deserted, and clothed in weeds. Guess what? It was the EDA-HUD community center. No one could tell when it collapsed, only that it was in ruins.

The EDA wasted a cool $179,000 on that horror story.

Then, in 1979, the EDA approved a $200,000 project to build a replica of the Great Wall of China in Indiana. That is right—the Great Wall of China. This was a big PR ploy for the limestone industry and was paid for with the taxpayers' money.

Hold on to your hat, though, because that project was only an afterthought to another limestone promotion gambit, a proposal to build a 10-story replica of the Great Pyramid with Indiana limestone.

Tut, tut, you might say—or even King Tut-Tut—surely no one would give the OK to such a wild-eyed scheme. But you would be wrong. EDA bought this one, hook, line, and sinker, and buried $500,000 of the taxpayers' money in it.

Was either one ever finished? Not on your life. All that remains of the taxpayers' money are some limestone blocks sitting in an empty field.

Finally, Mr. President, the EDA makes loans, as the Senator from Rhode Island knows. Is their record here any better? Listen to this. One private company got a $2.5 million loan from EDA. It used the money for a $500,000 interest-free loan to the company's sole stockholder. It purchased a fancy $300,000 helicopter for that stockholder. It was not needed by the company. It acquired a $65,000 lakeside cabin for that pampered, sole stockholder.

Mr. President, I wish these examples—all of which earned one of my Golden Fleece Awards—were unusual. They are not. As the Senator from Rhode Island pointed out, the problems at EDA are endemic. Giving them a Golden Fleece is like shooting at sitting ducks: there is no sport in it.

Someone once said that no matter how often the human goose is plucked, it grows a new crop of feathers. Is it not time we made an exception to this and stopped plucking the taxpayer?

There is no better place to start than with the EDA. If there was ever an amendment designed to show whether we are serious about reducing the deficit, this is it. I hope it carries by an overwhelming vote.

I thank the Senator from Rhode Island, and I yield back whatever time I have remaining.

Mr. CHAFEE. Mr. President, I yield 4 minutes to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, I shall not consume that amount of time.

The Senator from Wisconsin has just rendered a powerful indictment of the program, and the Senator from Rhode Island has done a beautiful job of expressing what I have seen in my time here with regard to EDA.

It is certainly a classic example of eternal life. The program has not been authorized since 1982; that is 4 years. Yet, it continues to rise from the ashes and spend evermore unauthorized moneys.

We have about $900 million in this outfit without proper authorization. Yes I know that it has been reduced. I will hear the arguments presented. They will say we are cutting it down and cutting it back, and we promise to get it in tow and tighten it up. But this program, in every sense, has outlived its usefulness, and we should let this anacronysm perish. This little caper has contributed $9.4 billion to the deficit over the past 4 years. We have heard the delinquency rates. They are hideous. We could have done a lot more with this money in some other place.

It was designed to target money to specific depressed areas. All of us have been in Congress long enough to know that if there is any way possible, there will surely be 50 States with depressed areas. So we took all the targeted stuff in EDA and expanded it, and I think all the States finally got their fingers into the pie with their own depressed areas?

Even under this new proposal, we are still insisting on keeping 80 percent of the country eligible for assistance, and we have done that for over a decade. That is where it all fell into the pit, when we all tried to stretch it into our own States.

The original idea was great. But it is not worth the expense, even if you tighten it up.

My State has benefited. I would be the last to admit that were not so. Over the course of years the State of Wyoming received over $45 million through EDA. But even if we were in tough economic times, we will be able to live without this program, as can the rest of the Nation.

How Wyoming ever got on the list is beyond me. We have a severance tax and a permanent mineral trust fund. We have extraordinary circumstances there which are beneficial to our citizen taxpayers, with our severance tax, and yet here is Wyoming, over the years designated as a targeted area eligible for assistance because it is depressed.

Here is an opportunity to junk this one. It was not as painful in July when we did it in, and here is a chance now to do it in again. Proving that nothing ever dies around this place, we might still apply one more chop at the head of the snake, and I urge my colleagues to do so.

Mr. CHAFEE. Mr. President, I reserve the remainder of my time.

Mr. HOLLINGS. Mr. President, we have 30 minutes on this side, and I expect to yield to the Senator from Maine, the Senator from Arkansas, the Senator from New York, the Senator from New Jersey, and the Senator from Mississippi. Before yielding I will use some time myself.

Mr. President, the President has proposed elimination of EDA since 1981. As an alternative, he offers the National Economic growth and the enterprise zones.

Despite the overall national economic health, there are 458 counties in the United States with unemployment greater than 12 percent. I just looked at the latest information and Marlboro County, SC, is still experiencing unemployment at a rate of 15.2 percent.

Obviously, the national economic health is not evenly distributed. Trickle down is not reaching Marlboro County or the other nine counties in South Carolina with unemployment above 10 percent. EDA is the only lifeline the rural areas have to bring about economic development of these communities.

Furthermore, when you look behind that grand national average of 7.1 percent unemployment, you find 17.8 percent unemployment among our youth, and an astounding 38.3 percent unemployment among black youth. The President has got to get out from behind the bunting and rallies and out to the America you can't see from the TARMAC

For 5 years, President Reagan has promoted enterprise zones. While I am interested in that additional tool, the Congress has not attached sufficient priority to that legislation to enact it into law. EDA must be retained until there is a sufficient alternative.

If the turbulent sixties taught us anything, they showed us what happens when a vast segment of the American people lose hope. An EDA of only $160 million is scant hope indeed but it is at least there for our communities to maintain their economic development hopes.

Mr. President, all of us have benefited from the vital assistance EDA provides. I have with me listings of the 219 public works projects, in 219 communities in 46 States that EDA assisted in fiscal 1985. How about that for distributing the funds.

The 219 public works projects approved in 1985 amounted to $129,977,000 in EDA funds, $32,494,000 in other Federal funds, and $235,717,000 in local funds for a total investment of $398,188,000. That's really leveraging the dollar.

I also have a list of 66 projects authorized for $38,700,000 of EDA funding that could not be reached within the funds available last year that are to be funded from the 1986 appropriation.

Some of my newer colleagues may not be as familiar with EDA since the funding has been constrained over the last 5 years. As in any program, there have been a few projects not as noteworthy as some.

In South Carolina, there has been long and strong support for EDA at every level of Government, and we are quite proud of the projects that EDA has helped us with. In my home city of Charleston, we have under construction the Charleston center project. The $4 million that EDA provided is truly the mortar that holds the bricks together of this $75 million project.

Last year EDA provided $750,000 toward the overall $1,550,000 needed for the interceptor on the Florence sanitary sewer system. This improvement allowed Leggs to provide 20 new jobs and for the Koppers Co. to retain 130 permanent jobs in Florence. EDA also provided $500,000 to extend industrial roads and utilities in the city of Orangeburg that, together with a grant from SBA, led the Quality Brooch Co. to establish a new facility that is expected to produce 350 jobs over the next 5 years. An EDA-assisted sewer project in Anderson County truly led to the Robert Bosch Corp. of West Germany to invest $2 million in a new plant that will have 300 jobs when at full capacity.

While I leave it to my colleagues to relate the value of the similar assistance that EDA has rendered to their States and communities, let me note some particular recent examples:

During my tenure as chairman of this subcommittee, we provided funds for local development revolving loan funds. All told, EDA has capitalized 165 local revolving funds.

On September 27, 1982, the distinguished Senator from Rhode Island took great pride in announcing that EDA had granted $750,000 to the Providence Industrial Development Corp. to establish a revolving loan fund. Obviously this was of great assistance as my distinguished colleague indicated obtaining the grant was a long, tedious process.

Back in 1982, EDA put up $100,000 for a feasibility study of the employees taking over the management of the hard-pressed Weirton Steel Corp. Wierton Steel is now the Nation's largest employee-owned company and in February, posted a $60,600,000 profit. In 1981, EDA established the Oregon Productivity Center with the object of improving the effectiveness and efficiency of manufacturing and service firms throughout Oregon. Gov. Victor Atiyeh has honored the center for its help to more than 300 businesses and organizations to become more effective, productive, and profitable. The center's help has been extended for electronic firms, manufacturing firms, including 3M, and service organizations.

As I indicated in my opening comments on the overall bill on October 24, EDA has been reduced by $500 million since 1981. All we have left is $160 million, which conforms to the amount assumed in the budget resolution.

This amendment rejects all the prior consideration by Congress in develop-

ing the budget resolution. Congress rejected the President's zeroing out the EDA in the budget resolution. I urge my colleagues to sustain that judgment by rejecting this amendment today.

Mr. President, I now yield 5 minutes to the distinguished Senator from Maine.

Mr. MITCHELL. I thank the Senator.

Mr. President, I oppose the proposal of the distinguished Senator from Rhode Island. I think it is important to put this program and the current level of funding into perspective.

In 1980, the EDA level of funding was in excess of $500 million. It has been reduced each year. Last year, the funding level was $259 million. The proposed level of funding in this bill is $184 million. So this is not a program that has grown; it is a program that has been cut back in each of the last 5 years.

Second, the arguments made by the Senator from Rhode Island and the Senator from Wyoming deal with aspects of the program that those of us who support it have tried to correct, but they have refused to help in correcting the very abuses which they now complain of.

The bill I have introduced would eliminate the loan guarantee program, which the Senator from Rhode Island says is the problem with it, Yet, he refuses to assist in correcting the problem.

As to the areas that are eligible for assistance, the Senator from Rhode Island rightly complains about 80 percent of the areas in this country being eligible for assistance. I have introduced legislation to reduce that by more than half. He refuses to assist in doing that.

What they want is not to change and improve the program, so that they can continue to complain about those aspects that are wrong. I say we should be improving it and continuing it.

In his remarks, the Senator from Rhode Island specifically mentioned Augusta, ME and Charleston, SC. He said he was sure there are people here who would mention programs in those States as being beneficial. Of course, he did not mention any place in Rhode Island. He did not mention Providence or Westerly or the other places in Rhode Island which have received funds for which he took credit.

As Senator HOLLINGS indicated, in 1982, if you read the Rhode Island business magazine and the Providence Journal, you find EDA grants. They mention the Senator from Rhode Island as the person fighting for those grants and getting those grants for Rhode Island. So we have a situation now in which he suggests there is something wrong about projects being approved in Augusta, ME or Charleston, SC, but he conspicuously exempts Rhode Island from that funding.

Here is a big headline in the Providence Journal: "Industrial Development Corporation Gets $750,000 From U.S. for Loan Fund."

The course of the article tells us what a tough process it was for him to get the money, "Senator CHAFEE said."

Mr. CHAFEE. May I interject one moment on my time here for 30 seconds, if the Senator will yield?

Mr. MITCHELL. On the Senator's time.

Mr. CHAFEE. Let me assure the Senator from Maine if there is pork around I am going to do everything I can to get some for my State. There is no question about it. If this program is continued I will continue to be in there. When I say it is a tough job to get it, you bet it is tough to get it, when I have been attacking the agency all these years. What I say is we have gotten our share. We will hopefully get our share, if this program is appropriated funds.

Again I am saying let us stop the whole business.

Mr. MITCHELL. Mr. President, I only wish to say in conclusion that the Senator from Wisconsin cites a few anecdotes of instances where loans have gone bad, and we all respect his diligence in ferreting out instances where some things fail.

If we begin to adopt the premise that any Government program that has an abuse in it should be eliminated, that does not make any sense. What we should be doing is trying to improve the program and make it more meaningful.

As I said to the Senator from Rhode Island, as he knows, we had this debate over the last 6 years in the committee and in this Chamber. There still is a situation in this country where over 7 percent of the people are unemployed. Millions and millions of Americans are out of work. There are substantial pockets of high unemployment and low per capita income in this country.

For 200 years we have as a nation adopted an economic policy that says we will help those areas that need help. It is that economic policy which is the foundation of this program and that in fact has provided enormous benefit to areas throughout this country, including the Senator's State of Rhode Island.

So I urge the Members of the Senate not to approve this, and I remind everyone again, and I close with what I opened, that we started with $500 million in this program, it has been cut back substantially, it is now at $184 million, and I urge the Senator from Rhode Island and others who have spoken against the program to support this.

The PRESIDING OFFICER (Mr. STAFFORD). The Senator's time has expired.

Mr. HOLLINGS. I yield 2 additional minutes to the Senator from Maine.

Mr. MITCHELL. Instead of continuing to oppose this and to cite as instances of abuse those parts of the program which we are trying to improve, to join with us in helping to improve it, to eliminate the loan guarantees which were the subject of the Senator's criticism as Senator HOLLINGS and I have tried to do, to restrict the criteria which the Senator opposes as too liberal, as Senator HOLLINGS and I have tried to do. What we have here are people who do not want to work to improve anything but rather want to work against improvements so they can continue to try to scuttle the program.

I say what we need is improvement in the program to correct the abuses but still help the millions and millions of Americans across this country who do not have jobs and who need jobs.

That is what we are trying to do.

Mr. CHAFEE. Mr. President, on my time, will the Senator yield for a question?

Mr. MITCHELL. I yield.

Mr. CHAFEE. Mr. President, I have reviewed the amendments that are before the body here and I do not see an amendment by the Senator from Maine to eliminate the Loan Guarantee Program. Does he have such an amendment?

Mr. MITCHELL. I have introduced legislation, S. 526, with reference to this, which I tried to get before the committee which the Senator has opposed in committee every time.

Mr. CHAFEE. Does the Senator have an amendment? He is castigating the Loan Guarantee Program. Does the Senator have an amendment before this body or that he is proposing to eliminate? Here is the chance. Does he have an amendment to eliminate the loan guarantee on this bill?

Mr. MITCHELL. I think I will introduce a bill to do that. I would be glad to offer it as an amendment. Will the Senator join me as a cosponsor?

Mr. CHAFEE. I certainly will.

Mr. MITCHELL. There we go. Maybe we can get it accepted on both sides.

Mr. CHAFEE. We smoked him out. Splendid. We got that far. That can be another amendment this morning.

Mr. MITCHELL. The Senator spent 6 years in the Environment and Public Works Committee opposing the legislation and now he says he will support it.

I thank the Senator for that. We have a recent conversion and I appreciate that.

Mr. President, I have gone on beyond my time and I now yield back my time to Senators who oppose this.

Mr. HOLLINGS. Mr. President, I yield now 5 minutes to the distinguished Senator from New York.

Mr. D'AMATO. I will take less than 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. D'AMATO. Mr. President, I thank my distinguished colleague from Maine who has hit upon the main thrust of what our attempts should really be, and that is an honest effort to deal with those situations that call for reform.

I commend our colleagues to look at H.R. 10, which the House of Representatives has approved, which is a package of reforms dealing with EDA.

No one is going to attempt to defend the situation with the abuses of the past. To attempt to equate a program today, we are talking about $184 million which has been cut substantially year after year, with the intitial implementation of a program where there were serious shortcomings is simply not fair.

I suggest that even during a time when we have gone beyond some economic process EDA has a proper place. It can be used wisely.

Our counterparts in the House of Representatives have done what we should be doing, and that is to eliminate the abuses, to see to it that the program meets its full potential, especially since there still exists a proper role for EDA today in this Nation, given what our economic situation is.

So, Mr. President, I hope we defeat this amendment and get to the business of making this program more effective. That is what the Committee on Environment and Public Works should be addressing itself to as opposed to an attempt to scuttle this entire program.

Let me conclude with one other sentence. If we had been cutting other areas of Government grants and programs as have been the reductions in EDA we would not have this huge budget deficit.

There are those who say look at the billions we have spent, but the fact of the matter is that there have been economic gains and that we have been cutting back on this program. If other programs in other areas had been making similar reductions the deficit would be nowhere near what it is today.

We should not attempt to lay on the altar of the EDA programs the substantial deficit that we continue to accumulate year after year. That simply is not the case.

I yield back any further time.

Mr. HOLLINGS. Mr. President, I yield now to the distinguished Senator from New Jersey, 5 minutes.

Mr. LAUTENBERG. Less than 5 minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 5 minutes.

Mr. LAUTENBERG. I thank the Senator.

Mr. President, I rise in opposition to the amendment that is offered by the Senator from Rhode Island. We do not disagree too many times, but on this one I do sharply disagree.

The bill is not over budget. It contains $184.5 million for EDA. It is a cut of 28 percent from fiscal year 1985 levels and the funding contained in the bill is consistent with the budget resolution.

Mr. President, the Senator from Rhode Island is concerned about targeting EDA projects, and this is an appropriate concern. But 80 percent of the Nation is not facing as acute economic distress as some areas we have in my State, and there are enough stories about that throughout the country to make a case. Some are facing acute economic distress and plants have closed down in the face of foreign competition and people have lost jobs. It has taken longer and longer for those people to find work.

We know what the statistics are. Sometimes it gets lost in the numbers. But 8 million people are out of work and we need whatever assistance we can get, and existing law provides the Secretary of Commerce with more than adequate opportunity to monitor where these funds are going.

If it is a problem, then we have to consider legislation to make further reforms in the program. We should not throw it away simply because there have been abuses. There is not a program in Government that has not been abused.

It is our responsibility and the responsibility of the administration, the executive, to supervise these things in better fashion.

When we have a debate on economic development, the opponents of these programs always stress the horror stories, and they are easy to find, but I wish to point out that in the State of New Jersey, by way of example, we have had some fantastic programs that have resulted in investment, restoration of jobs, restoration of opportunity. EDA funded a marine research laboratory in an appropriately named place Bivalve in New Jersey to revitalize the oyster industry in the Delaware River. The Oyster Lab, as it is known, was funded in cooperation with our principal university, Rutgers, in hope that it would bring back economic boom to a county called Cumberland County, the worst off county economically in our State, with far higher unemployment rates than the national average. These people need this kind of investment to restore some economic sanity.

We have industrial parks in Millville, Princeton, NJ, supported by EDA, that brought thousands of jobs in towns with chronically high unemployment.

In Newark, NJ, considered the most poverty stricken city in the United States, we have an industrial park where they converted an old Ford Motor Car Co., 88 acres, into an industrial park for new employees, and we have already taken 500 jobs generated from that program and are still growing.

Elizabeth, another urban center with very severe problems, has developed a food processing plant within an industrial park with EDA support. There is tire recapping and electronic jobs as well. The result is we have 1,000 new jobs in one of the most distressed areas in the country.

Mr. President, if an anecdotal reference is necessary, we can find lots of good and compare them to the bad. But, on balance, I think this is a program that has its merits. It needs to be closer supervised, I agree. If it needs reform, let us do that.

Mr. President, I urge my colleagues to reject this amendment and I thank the manager for yielding me time.

Mr. HOLLINGS. I now yield to the distinguished Senator from Tennessee.

Mr. SASSER. Mr. President, I rise today to join my colleagues in urging the continuation of the much needed programs of the economic development administration.

From its very beginning, this administration has tried to abolish the Economic Development Administration. This amendment is another misguided attempt to eliminate economic development programs in this country.

Opponents of economic development funding say the programs are not cost effective, that they do not produce jobs. But when I travel across my State of Tennessee, I find plenty of evidence of the benefits of economic development administration programs. Many industrial parks have been made possible by EDA grants to provide required water and sewer facilities. Those industrial parks provide the jobs that the opponents of EDA have such trouble finding.

Economic development funds create permanent, private-sector jobs. The money is used for construction which means jobs for a community—expansion of water and sewer lines, factory renovation, and improvement of schools and other public buildings. These and similar projects create an infrastructure which allows a community to attract new industry.

Since 1966, EDA has funded over 570 projects in Tennessee, resulting in benefits to the State of over $230 million. Some 90,000 jobs have been created, basically in service and light manufacturing industries. Quite simply, EDA is one of the most cost-effective job development programs that we have.

These are benefits which have directly built up the economy of Tennessee. For our workers, it has meant the difference between unemployment and a steady job. For established businesses, it has meant the ability to take advantage of opportunities which otherwise would have been lost. For marginal businesses, it has often been the difference between success and failure.

A perfect example of the benefits of EDA can be seen in Clinton, TN. Clinton recently received an EDA grant of $440,000 to be used for site preparation for an industrial park—theeseextension of water and sewer lines, and the building of roads. They are combining the EDA grant with surplus property obtained from the Tennessee Valley Authority to bring jobs to the community and broaden their tax base.

These and similar projects create an infrastructure which allows a community to attract new industry. I don't believe the 5,600 people of Clinton feel that EDA is wasting money.

Earlier this year I held budget hearings across my State on the proposed elimination of these programs and the impact this would have on the local economy. The testimony I received from local officals only served to reinforce what I had already heard while traveling in the State. Namely, that there is overwhelming bipartisan support for these programs which cut across both political and ideological lines.

What I heard was concrete evidence of the results of economic development programs. I invite those who oppose these programs to listen to the local officials who know only too well the value of EDA.

In Monroe County, EDA funds recently provided site preparation, water, sewer, and rail services which enabled Overhead Door Co. to locate and provide 300-plus jobs.

In Knox County, EDA funds provided water, sewer, rail, and roads for the folks of the river industry park. This has resulted in $37,892,000 in private capital investment and 3,216 jobs in 27 industries.

In Sevier County, EDA grants for improvement of the Sevier County industry park have provided 1,024 new jobs and seven companies.

Mr. President, I do not believe this is a waste of money and I don't believe the people of Monroe, Knox, or Sevier County do either.

However, we still have areas of this country which do not share in times of national prosperity. In one area of the eastern part of my State, per capita income is still 25 percent below the national average. In one of the counties in that area, Hancock County, per capita income is only 43 percent of the national average. Hancock County and many other rural Tennessee counties need and deserve a strong, effective EDA program.

The Economic Development Administration has already been cut 72 percent in the last 5 years. It does not need to be cut any more. I strongly urge my colleagues to oppose this amendment which seeks to abolish the programs of the Economic Development Administration.

Mr. HOLLINGS. Mr. President, I yield such time as necessary to our distinguished senior Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator from South Carolina for yielding me these few minutes.

Mr. President, this is not a theory that we are debating. We are debating practical realities, by and large, of trying to help relatively small communities to gather together enough funds from some source and to use them to build a little enterprise or a little factory or something that will afford its people that live there jobs of some kind.

I know this program since I have served on the Public Works Committee. Let me say first I do not claim any credit for having always voted for the low budget figures, but over the years, I have been up front in reducing amounts here and there in our drive for economy. I think I have done my share. I know I have done a good bit of voting for the remedial phases of this transition we are going through.

But I am satisfied we will never get out of this distressing—distressing to me—situation that we are in with reference to our budget. We are not going to get out by dealing with relatively small amounts like this, relatively small amounts that afford the people something tangible, some jobs, something to do, something to earn their way. We are not going to get out by abolishing those kinds of programs.

These are human beings, Mr. President, we are dealing with. They are not cattle. The are not stock of some kind. They are not pine trees. But these are people, they are human beings, they have families. They are dependent upon conditions that exist in lots of ways now, good and bad.

Let me give an illustration about the effectiveness of the Economic Development Administration. Right in my home area—and we do not have any great abundance of this money being spent in my State—but right in the nearby area, I know the people who got together enough money to build a little factory. Under modern conditions, there is a requirement for a high-grade water pump, and the equipment that goes with it—necessary to meet the requirements of a first-class water supply for fire protection—that cost them more than the little factory itself did. It is a requirement placed on the country and it has got to go in before they can comply with the law in order to make a living for the people there.

As I say, they are not looking for a prize of some kind, but are looking for a way to make a living. I voted for about as many reductions as anyone, but I think this program, EDA, should be among the last to abolish, rather than among the first.

I have very high regard for the Senator that offered this amendment. I know his great sincerity and his hard and consistent work. But if we really want to get down and dig and find the reasons and answers to this situation we are in—unemployment, lack of new jobs and losing current jobs in some areas—we are going to have to set our sights on some of these little but important programs.

I notice no one or no group has voted to not fund this program in 1986, even though it was not recommended, as I understand, in the budget. So it is bound to have something good about it, something useful, something constructive, and something with a payoff to it.

In closing, I reemphasize we are talking about jobs now for human beings, for people to make a living for themselves and their family.

I thank the Senator for yielding time to me. I hope this amendment will be defeated.

Mr. CHAFEE. Mr. President, I yield 5 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 5 minutes.

Mr. HUMPHREY. I thank the Senator from Rhode Island.

Mr. President, I must say, in my view, with all due respect to my colleagues, all this talk about creating jobs is just so much bunk. If we really want to create jobs, let us cut spending, let us cut deficits, let us cut Government borrowing, and let us, in so doing, reduce the interest rates, and then you will see real jobs creation. And the creation of jobs is determined by the private sector and not by Government bureaucrats or guarantees.

Mr. President, I commend the Senator from Rhode Island for offering this amendment. And I want to point out that this Agency, EDA, is, in a sense, a renegade Agency, inasmuch as to has not been reauthorized in years. And we see, once again, the Appropriations Committee, in my opinion, exceeding its authority, funding a program that has not been authorized this year nor in any of the recent years.

It seems to me that is violative of good judgment, if not Senate procedure.

Mr. President, as chairman—not that it matters, because the Appropriations Committee ignores us—as chairman of the Subcommittee on Re-

gional and Community Development, which has oversight authority over this program, I am delighted that we have an opportunity, once again—I am not too optimistic—but we are going to try finally to terminate this wasteful, inefficient, and inept Federal Agency called the Economic Development Administration.

The Senate has recently been overcome with a refreshing wave of fortitude in budget cutting. I can assure my colleagues that the Nation would be far better off if EDA were to be taken away in this wave and washed far, far away.

The fact of the matter is the EDA is one of the biggest misnomers around this city. The name rivals the greatest misnomers of all times, such as "budget reform" or "United Nations." Based on my examination of an almost unmatched record of mismanagement and waste for which we have spent over $9 billion, I would propose that we rename EDA the "Economic Disaster Administration."

Just last month, Mr. President, the Inspector General of the Department of Commerce severely and harshly criticized—the Inspector General—severely and harshly criticized EDA for its administration of the fund under the Emergency Jobs Act. In the IG's report, it was stated:

> The Economic Development Administration's Emergency Jobs Act program will not alleviate unemployment to any meaningful extent. The major goals specified in the legislation—immediate jobs for the unemployed and rapid disbursement of funds—have not been accomplished.

That from the Inspector General.

Further, the report stated:

> Twenty-two months after passage of the act, EDA has disbursed only $54 million of its $100 million appropriation. We estimate that no more than $3.5 million of the appropriation will eventually "trickle down" as salary payments to the unemployed and underemployed targeted by the act.

That is, 3.5 percent of the funds, according to the IG, will ultimately reach the hands of those intended by Congress.

What the Inspector General has reported is nothing new. In fact, it is business as usual at EDA. This is a program that started with a congressional mission to target economically "distressed" areas of the Nation. Mr. President, at one time that meant about 12 percent of our Nation. Today, 85 percent of the Nation qualifies for EDA funds as being "distressed." That is ridiculous on its face. No one can support that contention, and yet that is the reality confronts us. It has lavishly spent funds on industrial parks which stand empty, on golf courses and even on a boat marina—all in the name of economic development.

Consider the story of the Bedford, IN, pyramid. As the Chicago Tribune reported over the summer, "It was supposed to be spectacular. There would be an exact replica of an Egyptian pyramid, 200 feet of the Great Wall of China and, for good measure, a Mayan Temple, all carved out of Indiana limestone. Nobody could resist the idea—not even the Federal Government. But now, 7 years and almost $700,000 later, officials of the Economic Development Administration, which funded the proposal call Merle Eddington's building project, 'a spectacular failure' "—to use the FDA term. That characterizes the history of EDA itself, Mr. Presidsent, in the opinion of this Senator.

Mr. President, we have an opportunity now to have a clear vote one way or the other to terminate this agency. The President has requested it. The Committee on Environment and Public Works, chaired by the distinguished occupant of the President's chair this morning, and the chairman of the subcommittee have concurred in that recommendation.

For heaven's sake, if we really want to create jobs, if we really want to do something about spending, deficits, borrowing, and interest rates, let us eliminate programs with which we can do without.

I thank the Chair.

Mr. CHAFEE. Mr. President, I reserve the balance of my time.

Mr. HOLLINGS. Mr. President, I yield now to the distinguished Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, in these times of budget constraints it is not easy to stand up here to defend any program. This program has not been perfect. The Senator from Rhode Island makes some very legitimate points about some things that have been wrong. A lot of the debate has been debated by exception.

It reminds me of some people buying vodka with food stamps. Therefore, ergo, everybody buys vodka with food stamps. That is not the case here. There have been some abuse in this program, as in all programs. Some of these loans are indeed sour, and no one in this body can take pride in any program, EDA or otherwise, which is not tightly administered in keeping with the original intent of Congress.

But I could tell you one of the reasons I rise to oppose this amendment is due to the experience we have had in my State. A year ago, Senator, in 1 day, my State lost nearly 2,100 textile employees. Three plants closed. On that day, 950, 900, and 200—2,500 jobs— were suddenly gone. I am telling you, in the State of Arkansas, that is a hit.

One of those communities was Morrilton, AR, with a population of 6,000 or 7,000. And Crompton Mills closed down, putting 950 people out of work in a town of 6,000 or 7,000 people. All the industrial planners and consultants who came in there said we might be able to find somebody to take this plant, but not until the water situation was straightened out. Morrilton was told that at least 4 or 5 million gallons of good water a day must be made available.

They are now taking water out of the Arkansas River, which poses a serious health threat because at that particular point you never know what the pollution rate or salinity level is. So they went to work to try to come up with $4 million to find a new source of water, and bring it into that city, so hopefully one day more jobs could be put back into that mill where over 900 once worked.

For almost 6 months all of the funding has been in place except $1.1 million for which they had applied from the Economic Development Administration. This story has been a happy ending. The day before yesterday, EDA approved a $1.1 million grant for Morrilton and Conway County, AR. They are going to build a water system, and at least they have a fighting chance to reduce their employment rate, which is now around 15 to 20 percent. Without EDA, they had no chance at all.

You can argue by calling this case an exception, if you want. But Morrilton, AR, is not the only success. Let me tell you what else has happened with EDA. First, we have cut it from over one-half billion dollars in 1980 to $160 million today. This includes a 20-percent cut for this fiscal year—1986.

We have cut it and cut it and cut it. I am not sure about the loan program, Senator. I will look into that. I am not going to stand up and defend programs that have a 50-percent default rate. But I want to tell you what has happened in my State in the grants program.

Since 1965, with one employee—one employee—serving the entire State of Arkansas for the past 20 years in our Economic Development Administration office, there have been 447 projects funded, at a cost of $165 million. It has generated 80,000 jobs; 79,630 to be precise; and for the $165 million we have put into those programs we now have an annual payroll of almost 4 times that much—$645 million.

And the annual taxes—annual taxes—generated by those 79,000 jobs is $129 million. In other words, we are recovering almost as much every year in taxes, to say nothing of the jobs, as we have put in the whole program in 20 years. Does that sound like a program that has failed? Seventy-nine thousand jobs have been created in my State at a cost of $2,077 per job, assuming the jobs were $4 an hour. Who else is creating jobs in this country for $2,000? Nobody. That is who.

If the program needs tightening up, tighten it up. I know we are not going to solve all the unemployment problems for $160 million in this country. But to torpedo a program which has had this absolutely unbelievably amazing result in my State would not only be folly, but it would be shameless.

So I stand here defending the program, because when you can administer that many programs, that many projects, that many jobs, generate that much income, and generate that much tax revenue with one employee, you have a real success. I defy any other agency of the U.S. Government or any State to match those figures.

Mr. President, I ask unanimous consent that the summary from my State be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IMPACT OF JOB-PRODUCING PROJECTS FUNDED BY ECONOMIC DEVELOPMENT ADMINISTRATION IN ARKANSAS 1965–85

[Prepared February 15, 1985]

Economic development district	Number of projects	Jobs created	EDA dollar amount	Annual payroll generated [1]	Annual taxes generated [2]
Central Arkansas Planning and Development District	47	13,207	$22,644,258	$109,882,240	$21,976,448
East Arkansas Planning and Development District	106	6,980	29,753,161	58,073,600	11,614,720
Northwest Arkansas Economic Development District	44	10,687	18,703,405	78,261,860	15,652,372
Southeast Arkansas Economic Development District	85	8,644	20,459,471	71,918,080	14,383,616
Southwest Arkansas Planning and Development District	30	15,824	14,877,088	131,655,680	26,331,136
West Central Arkansas Planning and Development District	46	9,877	17,359,320	75,855,360	15,171,072
Western Arkansas Planning and Development District	34	6,700	23,025,393	55,744,000	11,148,800
White River Planning and Development District	55	7,711	18,564,154	64,155,520	12,831,104
Totals	447	79,630	165,386,250	645,546,340	129,109,268

[1] Annual payroll generated assumes an average hourly wage of $4.
[2] Tax return assumes 20 percent of annual payroll generated.

Assuming the total of $165,386,250 as EDA dollars invested in job-creating projects, the job cost ratio is: $165,386,250 ÷ 79,630 = 2,077.

Mr. BUMPERS. Mr. President, I yield the floor.

Mr. HEINZ addressed the Chair.

Mr. HOLLINGS. Mr. President, I yield 2 minutes to the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 2 minutes.

Mr. HEINZ. Mr. President, I rise in opposition to Senator CHAFEE's amendment.

I do so as one who does not 100 percent endorse the EDA program. Indeed, when I was faced with whether to substantially reduce, eliminate the funding, or keep it exactly as it was during the consideration of the budget, some of the problems I saw with some of the programs led me to vote for the former rather than the letter.

But I must tell you that was before this and the other body made some significant changes in the support that we give communities. I am referring to the decision by both the House and the Senate to stop revenue sharing at the end of the next fiscal year, and even cut it somewhat this fiscal year.

That was before the urban development action grant moneys where we decided as a body to give one-third of those moneys not to distressed areas but to projects simply based on merit, based on the merit of the individual project whether they were located in an area of bad economic conditions or not.

I must say that with those two programs very much under fire, there are very important elements in the EDA program, such as the planning grants under title III, which foster development of long-term strategy for stimulating private enterprise; title I, public works grants; title IX, economic adjustment grants, which are very important given the changes that the Congress has decided to make in those other programs, which affect many communities in my home State of Pennsylvania, particularly those suffering from economic depression, as many are in the steel-producing areas of my State.

I hope that my colleagues will recognize that this is a very different proposition than the one we were faced with back in May. A lot of things have changed in terms of our assumption about what we were going to do and what we were not going to do.

For those reasons, I urge my colleagues to defeat the Chafee amendment.

Mr. HOLLINGS. I now yield to the junior Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I am pleased to have this opportunity to express my support of the Appropriation Committee's action to continue funding of the Economic Development Administration. All of us understand the severe budget constraints under which the congressional decisionmaking process must take place. EDA and many other programs are being reduced in funding. However, the important thing is that EDA is being continued at a reasonable level. I commend the Committee on Appropriations for taking this affirmative action.

The funding of EDA in this bill and in the bill passed by the House of Representatives helps to insure that communities and States will still be able to undertake vital developmental activities with the assistance of the Federal Government. It will insure that we maintain in place an economic development agency of the Federal Government upon which future programs can be built. In this regard, I am hopeful that the Committee on Environment and Public Works will act on H.R. 10, a measure passed by the House of Representatives on July 17 to reauthorize the programs of the Economic Development Administration and the Appalachian Regional Commission. That measure modifies the EDA program and reauthorizes it for 3 years.

Mr. President, the Economic Development Administration is 20 years old. Its programs have helped thousands of communities and created hundreds of thousands of jobs since 1965. Our country has benefited from this work.

Yes, there have been mistakes made in the EDA programs as there have been in all other Federal programs. But the accomplishments of EDA far surpass any mistakes that have been made.

EDA helps build and rebuild the infrastructure of this country. It is a program that is working. It is an investment in our Nation's future.

In my State of West Virginia, EDA, in its 20-year life, has funded 492 projects with an investment of $178,887,000. These projects have included industrial parks, water and sewage systems, convention centers, recreation activities, transportation development, community centers, and business development. There are businesses and manufacturing facilities which provide thousands of jobs which would not exist today, if it were not for the Economic Development Administration.

Last year, EDA invested $4,940,400 in five public works projects; $1 million in two revolving loan projects; $130,000 in two technical assistance proposals; and $434,400 in nine planning projects. This EDA funding of

$6,504,800 resulted in a total project investment of $13,167,203.

EDA is important to a State like West Virginia; I am very frank about that point. It is just as farm programs are very important to certain States and maritime programs are particularly important to other States. These are just two examples.

EDA is not just a program of the last two decades; it is a program for the future. There has been a need and a vital role for this agency in the past and the need for it in the future substantially reduced over the past several years and again this year, I hope that we will come to a point in time when we will be able to expand EDA activities. I will continue to work toward this objective.

Again, Mr. President, I support the committee's action to fund EDA in this fiscal year. It is within the budget resolution and should be approved by the full Senate.

Mr. KASTEN. Mr. President, I rise in opposition to the Chafee amendment.

The EDA program is working in Wisconsin, and it is working in many other communities across the country. It deserves our support.

Consider an EDA grant recently approved for the city of Stevens Point, WI, to assist the Woodward Governor Co. in constructing an industrial park. It is estimated that this $711,600 grant will lead to the creation of almost 500 jobs over 5 years.

In September, an EDA grant was approved to assist the city of Milwaukee in creating a small business incubator center; 150 jobs could be created.

In August, the city of Ashland was granted EDA money for development of a small boat harbor that could create more than 50 jobs.

Eau Claire, Florence County, and Rice Lake have all recently received EDA money to help create industrial parks. In Milwaukee, EDA money is helping finance business development and is responsible for the spectacular skywalk which gave a boost to the downtown shopping district.

Every time I go home to Wisconsin, I see the EDA program at work. Because of EDA, thousands of jobs have been created, cities have been revitalized, and businesses have grown.

That's why the EDA program must be continued.

I know the program has had its problems, and there were many examples of waste and abuse in years past. But significant reforms have been made at the agency, and in the administration of the program, and I believe the EDA program now deserves our support.

Mr. President, I urge my colleagues to join me in defeating the Chafee amendment.

Mr. CHAFEE. Mr. President, I believe I have 5 minutes left. I will take 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. CHAFEE. Mr. President, we are in a classic situation in which people have come forward and said EDA has helped them in their town, in their city, in their State, in some instances. The Senator from Arkansas gave an excellent speech about how many jobs had been created in Arkansas. Somehow the suggestion is there was not a job created in Arkansas until EDA came along. Of course, that is nonsense. If EDA were not there, some way would be found to create these jobs.

These Senators get up and say, "We cut it back and cut it back and it is still a marvelous program so do not cut it any more."

You would think they wanted to increase it.

Mr. President, we are in a situation in the United States of America where we are running a $200 billion deficit. The jobs in Arkansas that the distinguished Senator pointed out were lost because textile mills closed. Those textile mills closed because of imports. Why did the imports manage to overcome those plants in Arkansas and cause threats throughout the Nation as they do to my State? It is because of the high interest rates caused by the deficit, the high dollar. We just have to get this Nation's deficits under control or there will be repetition after repetition of closures in manufacturing industries.

Mr. BUMPERS. Will the Senator yield for a question?

Mr. CHAFEE. Yes, on the Senator's time.

Mr. BUMPERS. Did the Senator vote to torpedo UDAG?

Mr. CHAFEE. The Senator did.

Mr. BUMPERS. I am pleased to hear that. UDAG grants went to corporations who used them to build plants they would not otherwise build. Let me ask this, where would Morrilton, AR, get the $1.1 million they did the day before yesterday? Tell me. I would like to know.

Mr. CHAFEE. I am not going to get into anecdotal discussions. I am sure that Arkansas has an economic and development administration of its own. Arkansas has voted industrial development bonds as have other States. I do not believe that every job in Arkansas has been brought about by EDA.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CHAFEE. The Senator from South Carolina waived time to the Senator from Arkansas.

Mr. HOLLINGS. How much time have I remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. BUMPERS. How much time does the Senator from Rhode Island have remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 4 minutes remaining.

Mr. CHAFEE. I yield myself 1 minute.

The PRESIDING OFFICER. The Senator is recognized for 1 minute.

Mr. CHAFEE. Mr. President, we are just right at the brink of deciding now whether we want to do something about the deficits or if we are going to talk about them and say, "Hit some other program, hit that program."

Mr. President, I do not know where everybody comes from in the Senate, but I do believe that if there is a question of cutting back on some programs like Head Start or Education of the Handicapped or nutrition programs for children or expectant mothers, or welfare programs, people programs, I think this Senate would say no. If we have to cut, we do not want to cut those.

So, Mr. President, I have brought a program before us that has been replete with disastrous examples of waste—not all waste. It is easy to say "Sure, just spend all the money and something good will come out of it somewhere."

But here is a program, Mr. President, that I believe can be dispensed with. Some good comes out, perhaps. But when we are facing these hard choices of whether to fund children's nutrition, Head Start or a program like this, I think the decision clearly should be to terminate this program. I hope the Senate will support my amendment.

Mr. NICKLES. Will the Senator yield?

Mr. CHAFEE. I yield 1 minute.

Mr. NICKLES. I thank my good friend. I commend him for his amendment.

Mr. President, I ask unanimous consent to be added as a cosponsor of the amendment.

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

Mr. NICKLES. I commend the Senator because, one, he has the courage and guts to say, yes, we need to be serious about reducing the deficit so let us terminate a program.

That, a lot of times, is not the easiest thing to do. Will Rogers once said that the Government programs have three things in common. They all have a beginning, they all have a middle, and they all have no ending.

I think the Senator is trying to say that this is a program that we can no longer afford to keep on the books. I commend him for it. I hope it will pass the Senate.

Mr. HOLLINGS. I yield to the distinguished minority leader.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I support funding for the Economic Development Administration. It has been a good program for my State of West Virginia and for other States which have experienced distress resulting from high unemployment and low-income problems over a period of several years.

The Senator from Rhode Island speaks of a people program. He expresses support for "people programs." He says if this were a people program, he would support it. This is a people program.

West Virginia has suffered, particularly during the recent recession, when unemployment reached a level of 21 percent.

These are people without jobs. They have children. We are talking about a people program. We are talking about a program to help people help themselves.

Currently, we have an unemployment rate of more than 12 percent. West Virginia and other similarly affected States would have suffered even more if this agency, a job-creating agency, had not been there to help.

Over the past 20 years, the Economic Development Administration has funded 550 projects for a total investment of $222 million in West Virginia. This has resulted in thousands of new jobs being created for the State and additional thousands of jobs being retained.

A people program, jobs. We are talking about jobs. People who have jobs have children. People who are out of work also have children. So, Mr. President, we are talking about a people program, and we are talking about a children program. We are talking about programs that help industries to help themselves and States to do likewise.

This $222 million reflects investment for needed community facilities, business loans to help expanding companies, and planning and technical assistance grants for long-range economic development programs.

Nationally, EDA has provided funds for needed public facilities in every one of our 50 States. In its 20-year history, it has invested over $13 billion nationally in job-creating and saving programs.

EDA's investments are investments in the future of America and result in additional tax dollars being paid to local, State, and Federal Governments. Each EDA dollar granted to a community brings a manifold return to all levels of government as well as individual benefits for our citizens in terms of jobs, income, and improved standards of living.

To allow this program to be eliminated when our country is just recovering from a recent recession, and from which many of the States in the United States are slow in catching up, would be shortsighted. It would ignore the traditional need for programs which promote economic development to benefit our citizens and our communities throughout the country.

I urge my colleagues to defeat the amendment offered by the Senator from Rhode Island Mr. CHAFEE.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, what is the track record of EDA? In 1985, 219 public works projects in 219 communities in 46 States. These projects involved $129 million in EDA funds and they have generated a total investment of $398,188,000. We have 66 qualified projects amounting to $38,700,000 that are unfunded standing there waiting.

The poor get poorer and the rich get richer.

I hear all this talk about deficits. The entitlement programs in the last 5 years have jumped 55 percent, to the tune of $166 billion.

National defense has jumped $118 billion by a tune of 26 percent.

In light of those increases, we have cut this 75 percent and we have not paid for those increases of entitlements in defense.

I have tried to raise revenues in an amendment offered on the floor that was rejected. This year, we are giving another tax cut, revenues that we do not have, we are going to have to go out and borrow. As a result, interest cost on the national debt has grown $80 billion. There is the difficulty: The rich are getting richer and the poor are getting poorer.

We have this little chance here for the impoverished areas of America that will not be taken care of with the Senator's particular amendment. I think they ought to be taken care of. I think the amendment ought to be rejected.

The PRESIDING OFFICER. All time has expired on the opposing side.

Mr. CHAFEE. Mr. President, the argument here is that the program has had at best a checkered record, at worst it has been disastrous. It is a program that Congress has not seen fit to reauthorize in 4 years. It is a program that Congress itself has seen fit to cut back and cut back.

I listened to my distinguished colleagues from the other side of the aisle talk and you would think that this was the greatest thing since sliced bread. But they do not vote to increase it. I just wonder where these programs are that the Senators talk about eliminating.

As the distinguished minority leader said in West Virginia, "I think everybody knows some programs have failed."

For every program that comes along, there seems to be a reason to resuscitate, to pump a little more life into it. Here is a program that has not been authorized. For some reason, the Appropriations Committee just goes along and funds it. Mr. President, here is a little step we can take to reduce the deficit. I do hope I receive support for my amendment.

I yield back the remainder of my time.

I ask for the yeas and nays on the amendment, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from New Hampshire [Mr. HUMPHREY] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The PRESIDING OFFICER (Mr. GORTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 57—as follows:

[Rollcall Vote No. 272 Leg.]

YEAS—39

Armstrong	Glenn	Murkowski
Boren	Goldwater	Nickles
Boschwitz	Gorton	Pressler
Chafee	Gramm	Proxmire
Cranston	Hatch	Quayle
Danforth	Hecht	Roth
DeConcini	Helms	Rudman
Dole	Kassebaum	Simpson
Domenici	Laxalt	Stafford
East	Lugar	Symms
Evans	Mattingly	Trible
Exon	McClure	Warner
Garn	McConnell	Wilson

NAYS—57

Abdnor	Gore	Melcher
Andrews	Grassley	Metzenbaum
Baucus	Harkin	Mitchell
Biden	Hart	Moynihan
Bingaman	Hatfield	Nunn
Bradley	Hawkins	Packwood
Bumpers	Heflin	Pell
Burdick	Heinz	Pryor
Byrd	Hollings	Riegle
Chiles	Inouye	Rockefeller
Cochran	Kasten	Sarbanes
Cohen	Kennedy	Sasser
D'Amato	Kerry	Simon
Denton	Lautenberg	Specter
Dixon	Leahy	Stennis
Dodd	Levin	Stevens
Durenberger	Long	Thurmond
Eagleton	Mathias	Weicker
Ford	Matsunaga	Zorinsky

NOT VOTING—4

Bentsen	Johnston
Humphrey	Wallop

So the amendment (No. 943) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. Mr. President, I remind our colleagues that we are operating under a unanimous-consent agreement that this bill will be on the floor only until around 1 p.m.

I therefore hope that we might move expeditiously.

Mr. President, I ask unanimous consent that the pending Helms amendment and the pending committee amendment be laid aside for the purposes of considering an amendment to be offered by the Senator from New York [Mr. MOYNIHAN] and that, at the conclusion and disposition on that amendment, the Senate return to the pending Helms amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire.

Mr. ARMSTRONG. Mr. President, reserving the right to object, could the manager of the bill tell us the expectation for handling amendments beyond the Moynihan amendment?

Mr. RUDMAN. I will be pleased to respond to my friend from Colorado. We have the Moynihan amendment which will require a rollcall vote. We will then have a few minor amendments that we can handle in a period of 10 or 15 minutes. After that, it would be my expectation that the Helms amendment would then be considered, hopefully for a relatively brief period of time.

That amendment is to be followed by the Humphrey amendment and then some technical amendments to be offered by the committee.

Mr. ARMSTRONG. If the manager will yield further, is it his expectation that we will be able to do this in the next hour or so?

Mr. RUDMAN. Assuming that we dispose of the Moynihan amendment, including the rollcall vote, by around 12:30 p.m., I believe we probably could get to the Helms amendment just before 1 p.m. That, of course, assumes that we can get unanimous consent to extend the time for debate on this measure beyond 1 p.m.

Mr. ARMSTRONG. Mr. President, I thank the manager and I have no objection.

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

The Senator from New York is recognized.

AMENDMENT NO. 944

(Purpose: To earmark $1 million for the purpose of protecting the security of American telecommunications from foreign surveillance by foreign diplomatic missions)

Mr. MOYNIHAN. Mr. President, I send to the desk an amendment for myself and Mr. PROXMIRE, Mr. THURMOND, Mr. HOLLINGS, Mr. SARBANES, Mr. BUMPERS, Mr. ROCKEFELLER, Mr. SASSER, Mr. BAUCUS, and Mr. WALLOP, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for himself and Mr. PROXMIRE, Mr. THURMOND, Mr. HOLLINGS, Mr. SARBANES, Mr. BUMPERS, Mr. ROCKEFELLER, Mr. SASSER, Mr. BAUCUS, Mr. WALLOP, Mr. SYMMS, Mr. CHAFEE, Mr. LEAHY, Mr. HART, Mr. DIXON, Mr. GLENN, and Mr. GOLDWATER, proposes an amendment numbered 944.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 18, line 10, after "expenses", add the following: : *Provided*, That of the funds appropriated by this section, not less than $1,000,000 shall be spent for the purpose of countering the interception of domestic American telecommunications by agents of the Soviet Union and its allies, from foreign missions maintained in the United States by those governments; Provided further, that by June 1, 1986 the Director of the F.B.I. shall submit to the appropriate committees of the Congress a report on the F.B.I.'s capabilities and efforts to counter the electronic interception of American telecommunications by foreign agents.

Mr. MOYNIHAN. Mr. President, I know of no reason we cannot meet the timetable that the distinguished manager of the legislation has proposed.

Mr. RUDMAN. I appreciate the Senator from New York offering that.

Mr. MOYNIHAN. Mr. President, this proposal is a very direct and simple one. It states that, of the $1.2 billion appropriated for the FBI in this legislation, not less than $1 million shall be spent "for the purpose of countering the interception of domestic American telecommunications by agents of the Soviet Union and its allies." It also states, that, by June 1 of 1986, the Director of the FBI will submit to the appropriate committees of Congress "a report on the FBI's capabilities and efforts to counter the electronic interception of American telecommunications by foreign agents."

Mr. HART. Mr. President, will the Senator from New York yield for a request?

Mr. MOYNIHAN. I yield.

Mr. HART. Mr. President, will the Senator from New York be agreeable to adding the Senator from Colorado as a cosponsor?

Mr. MOYNIHAN. I will be honored.

Mr. HART. I thank the Senator.

Mr. MOYNIHAN. Mr. President, the Senator from Colorado wishes to be added as a cosponsor, and I so ask unanimous consent.

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

Mr. MOYNIHAN. Mr. President, I am able to state that this proposal has the solid support of the Director of the Federal Bureau of Investigation. I have spoken with Judge Webster within the hour, and he has stated to me, not just that he is solidly behind this measure, but he has repeated what many Members in this body will know is his concern that the American public's privacy is currently being invaded in the most massive espionage activity in the history of our Nation. It happens in New York from the Soviet Union's United Nations facilities in Glen Cove, Manhattan, and the Bronx and Riverdale; it is carried out here in Washington by the Soviet Embassy on 16th Street and will soon be possible from the Mt. Alto Embassy. We have in consequence heard from the National Security Agency that upwards of 60,000 telephones costing $35,000 each are going to be installed to protect the communications of Government while simultaneously leaving the public and, if I may say, Congress, for that matter, exposed to this massive violation of what is generally thought to be our constitutional right to privacy. And it is being done by an unfriendly foreign power and a foreign totalitarian power at that. No doubt the Soviets think they are doing to Americans no more and no less than they do to their own citizens. But we ought not stand idly by while hostile intelligence services abuse Americans' fourth amendment right to be secure in the privacy of their communications. We would not stand by if it were the American Government that were doing this. We would not, and we did not.

Mr. President, I was on hand at a ceremony in the Rose Garden in October 1978 when the President signed into law the Foreign Intelligence Surveillance Act, in which the most elaborate procedures were adopted—including the establishment of a special panel of Federal judges—to govern counterintelligence activities in this country to intercept telephone calls having to do with espionage activities. The FBI has to get a Federal judge to authorize it to eavesdrop on a suspected spy. But Soviet spies can listen in to anybody, at any hour, all day long, and have been doing so for a decade and more.

Mr. President, 10 years ago, Nelson Rockefeller, as Vice President of the United States and Chairman of the

Commission on CIA Activities within the United States, reported this fact to the Nation. Then-Governor Ronald Reagan was a member of that Commission.

The Commission concerned itself with domestic activities that were properly its concern but in its June 1976 report, the Commission went on to warn of a much more serious matter. It said:

While making large-scale use of human intelligence sources, the communist countries also appear to have developed electronic collection of intelligence to an extraordinary degree of technology and sophistication for use in the United States and elsewhere throughout the world . . . Americans have a right to be uneasy if not seriously disturbed at the real possibility that their personal and business activities which they discuss freely over the telephone could be recorded and analyzed by agents of foreign powers.

Mr. President, I ask unanimous consent that at this point in the RECORD this passage from the Commission report be printed.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMISSION ON CIA ACTIVITIES WITHIN THE UNITED STATES

Vice President Nelson A. Rockefeller, *Chairman.*—John T. Connor, C. Douglas Dillon, Erwin N. Griswold, Lane Kirkland, Lyman L. Lemnitzer, Ronald Reagan, Edgar F. Shannon, Jr.

David W. Belin, Executive Director.

Senior Counsel.—Harold A. Baker, Ernest Gellhorn, Robert B. Olsen, William W. Schwarzer.

Counsel.—Marvin L. Gray, Jr., George A. Manfredi, James N. Roethe, James B. Weidner.

Special Counsel.—Ronald J. Greene.

Staff Members.—R. Mason Cargill, Peter R. Clapper, Timothy S. Hardy.

Special Counsel to the Vice President.—Sol Neil Corbin.

Counsel to the Vice President.—Peter J. Wallison.

[Excerpts]

FOREIGN INVASIONS OF UNITED STATES PRIVACY

This Commission is devoted to analyzing the domestic activities of the CIA in the interest of protecting the privacy and security rights of American citizens. But we cannot ignore the invasion of the privacy and security rights of Americans by foreign countries or their agents. This is the other side of the coin—and it merits attention here in the interest of perspective.

Witnesses with responsibilities for counterintelligence have told the Commission that the United States remains the principal intelligence target of the communist bloc.

The communists invest large sums of money, personnel and sophisticated technology in collecting information—within the United States—on our military capabilities, our weapons systems, or defense structure and our social divisions. The communists seek to penetrate our intelligence services, to compromise our law enforcement agencies and to recruit as their agents United States citizens holding sensitive government and industry jobs. In addition, it is a common practice in communist bloc countries to inspect and open mail coming from or going to the United States.

In an open society such as ours, the intelligence opportunities for our adversaries are immeasurably greater than they are for us in their closed societies. Our society must remain an open one, with our traditional freedoms unimpaired. But when the intelligence activities of other countries are flourishing in the free environment we afford them, it is all the more essential that the foreign intelligence activities of the CIA and our other intelligence agencies, as well as the domestic counterintelligence activities of the FBI, be given the support necessary to protect our national security and to shield the privacy and rights of American citizens from foreign intrusion.

The Commission has received estimates that communist bloc intelligence forces currently number well over 500,000 worldwide.

The number of communist government officials in the United States has tripled since 1960, and is still increasing. Nearly 2,000 of them are now in this country—and a significant percentage of them have been identified as members of intelligence or security agencies. Conservative estimates for the number of unidentified intelligence officers among the remaining officials raise the level to over 40 percent.

In addition to sending increasing numbers of their citizens to this country openly, many of whom have been trained in espionage, communist bloc countries also place considerable emphasis on the training, provision of false identification and dispatching of "illegal" agents—that is, operatives for whom an alias identity has been systematically developed which enables them to live in the United States as American citizens or resident aliens without our knowledge of their true origins.

While making large-scale use of human intelligence sources, the communist countries also appear to have developed electronic collection of intelligence to an extraordinary degree of technology and sophistication for use in the United States and elsewhere throughout the world, and we believe that these countries can monitor and record thousands of private telephone conversations. Americans have a right to be uneasy if not seriously disturbed at the real possibility that their personal and business activities which they discuss freely over the telephone could be recorded and analyzed by agents of foreign powers.

This raises the real spector that selected American users of telephones are potentially subject to blackmail that can seriously affect their actions, or even lead in some cases to recruitment as espionage agents.

2. The Testing of Communications Intercept Systems Within the United States

Monitoring of foreign conversations is an important aspect of modern intelligence collection. Several new systems developed by the Agenda for use overseas have been tested in the United States. In the process of this testing, private communications, presumably between United States citizens, have sometimes been overheard.

In many cases conversations were overheard but not recorded. In other cases, conversations were recorded for evaluation purposes but the recordings were kept only until the testing was concluded, at which time they were destroyed.

No evidence was found that any such tests were ever directed against persons for the purpose of learning the content of any communication. In most instances, the speakers were never identified. Nor was any evidence found that the Agency disseminated or even attempted to exploit the contents of any intercepted or recorded conversations.

Mr. MOYNIHAN. I do not want to take the Senate's time further. I see the distinguished Senator from Arizona rising.

Mr. GOLDWATER. Will the Senator from New York yield to me?

Mr. MOYNIHAN. I am happy to.

Mr. GOLDWATER. Mr. President, the Senator from New York is reporting on a very, very serious matter. Espionage by eavesdropping in this country is so vast, believe me there is no way to describe it. The Soviet Embassy occupies one of the highest hills in Washington. If you fly over their building in a helicopter, it is covered with intercepting antennas. I dare say they can intercept any telephone conversation in Washington. Not only that, it is possible to eavesdrop anyplace in this country on the microwave long distance system used by all telephone companies. Not only that, it is possible to eavesdrop on the satellite transmissions both to the satellite and from the satellite.

I think it is high time—in fact the Senator and I used to talk about this when we both served on the Intelligence Committee, about the danger to our country and the ability of our President to stop it. And yet it has not been stopped and it continues, and it is to the total detriment of our country.

The Soviets or any other country know literally everything we are doing. Not only that, you think we have privacy on our telephones. We do not. I can buy a radio for $25 and let you listen in on any conversation you want to. I think the Senator is doing a great favor for our country, not just the Senate or the Congress, but our country which is the important thing, by calling attention to this. And I hope that we are able to do something about it. I thank the Senator.

Mr. MOYNIHAN. Mr. President, I thank my friend.

I conclude my remarks in two ways. As if to confirm what the Senator from Arizona, my distinguished, revered colleague on the Intelligence Committee said, Walter G. Deeley, Deputy Director of the National Security Agency, was reported by the New York Times on October 20 to have said of this matter—and he was speaking of the Soviets:

They are having us for breakfast. We are hemorrhaging. Your progency may not enjoy the rights we do today if we do not do something.

Second, Mr. President, I would like to note with great concern and dismay that there has been a tendency evident within our Government—the previous administration and this one alike—to try to separate the interests of Government from the rights of our people. There seems to be some in Government who believe that if they

protect themselves, the public may go unprotected. That is not our kind of Government and that is not our kind of President. He would not be allowing that, as you know.

That is why I am happy to say that Judge Webster, who speaks for the administration in such matters, has said he is "solidly" behind this. The FBI will, of course, be the judge of what expenditures are to be allocated to this purpose. We have complete confidence in the Director in this matter.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Mr. President, will the Senator from New York yield?

Mr. MOYNIHAN. I am happy to yield.

Mr. LEAHY. Mr. President, I also ask that I may be added as a cosponsor to the amendment of the Senator from New York.

Mr. CHAFEE. Might I join in that request, also?

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that my two former colleagues on the Intelligence Committee, Senator LEAHY and Senator CHAFEE, be added as cosponsors.

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

Mr. CHAFEE. Mr. President, I congratulate the Senator for bringing this forward.

Mr. LEAHY. Mr. President, the Senator from New York should be complimented for bringing this forward.

What the Senator from Arizona has said is absolutely so. Someone asked me once if I might be overreacting to the suggestions that I have made, along with the Senator from New York and the Senator from Arizona, that the Soviets use their facilities here in the United States to spy electronically. I asked them if they really think they have those extra 20 or 30 antennas on the Embassy so they could get better HBO reception. There has to be a reason more than watching Saturday Night Live or Monday Night Football for all those antennas.

The fact is that with the new Mr. Alto setup they can listen to any transmissions out of the White House, the Pentagon, the CIA, the Treasury, the Capitol itself, and virtually anything else in between. We, of course, put our Embassy in a swamp in Moscow.

Mr. MOYNIHAN. On the banks of the Moscow River.

Mr. LEAHY. Yes.

We say, "Gosh, fellows, we don't want to offend you by making anything difficult for you." It is sort of like the opposition to the Leahy-Cohen amendment to cut down on the number of diplomats, we might offend them.

I am worried that the only thing we can do to show our displeasure is to tell the Soviet Ambassador he is going to have to park out front, rather than in the garage. I am sure when that news gets out it will strike fear in the hearts of the Politburo.

I would like to see us do something more. I compliment the Senator from New York.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the names of the distinguished Senator from Arizona, Mr. GOLDWATER, be added as a cosponsor, and want to note the cosponsorship of the distinguished Senator from South Carolina, Mr. HOLLINGS.

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

Mr. MOYNIHAN. Mr. President, I am mindful of the managers' schedule in this regard.

Mr. RUDMAN. Mr. President, I thank the Senator from New York. The subcommittee fully supports the amendment offered by the Senator from New York. Furthermore, I have assured my friend from New York that we have every intention, when we get to conference with the House of Representatives, of making every effort to ensure that this amendment is preserved. I understand that the Senator from New York would nonetheless like to have a RECORD vote on this issue.

Mr. MOYNIHAN. I am very grateful for the manager's expression of determination to see that this emerges from conference intact. I prefer a rollcall, because the last time we accepted it, it was dropped in the conference committee. I think we should say the Senate is solid on this matter.

Mr. HOLLINGS. Mr. President, I believe a record vote is appropriate on this issue. I believe the Senator from New York is bringing us into the real world. It is tough. It is not a question of whether or not we are protective or destabliilizing. It is a question of whether or not we are going to maintain the security that we should have and, really, in regards to this kind of intercept, the respect and dignity of freedom that we enjoy in this land of ours.

So I fully support the amendment.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that Senators DIXON and GLENN be added as cosponsors.

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

Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New York [Mr. MOYNIHAN].

The yeas and nays been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announced that the Senator from Wyoming [Mr. WALLOP], is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Louisiana [Mr. JOHNSTON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 273 Leg.]

YEAS—96

Abdnor	Goldwater	Melcher
Andrews	Gore	Metzenbaum
Armstrong	Gorton	Mitchell
Baucus	Gramm	Moynihan
Biden	Grassley	Murkowski
Bingaman	Harkin	Nickles
Boren	Hart	Nunn
Boschwitz	Hatch	Packwood
Bradley	Hatfield	Pell
Bumpers	Hawkins	Pressler
Burdick	Hecht	Proxmire
Byrd	Heflin	Pryor
Chafee	Heinz	Quayle
Chiles	Helms	Riegle
Cochran	Hollings	Rockefeller
Cohen	Humphrey	Roth
Cranston	Inouye	Rudman
D'Amato	Kassebaum	Sarbanes
Danforth	Kasten	Sasser
DeConcini	Kennedy	Simon
Denton	Kerry	Simpson
Dixon	Lautenberg	Specter
Dodd	Laxalt	Stafford
Dole	Leahy	Stennis
Domenici	Levin	Stevens
Eagleton	Long	Symms
East	Lugar	Thurmond
Evans	Mathias	Trible
Exon	Matsunaga	Warner
Ford	Mattingly	Weicker
Garn	McClure	Wilson
Glenn	McConnell	Zorinsky

NAYS—1

Durenberger

NOT VOTING—3

Bentsen	Johnston	Wallop

So the amendment (No. 944) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the pending Helms amendment and the pending committee amendment be temporarily laid aside for the purposes of, first, considering an amendment to be offered by the Senator from Idaho [Mr. SYMMS], and, second, to consider an amendment to be offered by the Senator from New York [Mr. D'AMATO] and that at the conclusion of action on those two amendments the pending business then be the Helms amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. Mr. President, I have no objection. We have cleared both amendments on this side.

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

AMENDMENT NO. 945

(Purpose: To express the sense of the Senate toward Romania's contempt of religious freedom and the repression of national minorities)

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS] proposes an amendment numbered 945.

Mr. SYMMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end thereof add the following new section:

The Senate finds that: The following events document Romania's attitudes toward religious and ethnic rights:

1. Father Geza Palfi, a Roman Catholic priest of Hungarian nationality, was arrested on December 26, 1983 because he mentioned in his Christmas Day sermon that Christmas Day should be a public holiday, instead of a working day. At the time of his arrest he was savagely beaten by the Romanian secret police (Securitate) outside of his parish church. Father Palfi died three months later of internal injuries sustained during his beating.

2. Daniel Cantarama, a minister of the Seventh Day Adventist Church, was sentenced to ten years in prison for "embezzlement" charges made by government officials, despite the fact that Cantaram's former employers signed an affidavit that he was a model employee, always "honest and disciplined." Both Christian Response International and Amnest International investigated the charges and found them baseless.

3. Under pressure from Western churches and governments, the Romanian government agreed to receive 10,000 Hungarian Bibles from the World Reformed Alliance to be distributed among the congregations of the Hungarian Reformed Church in Romania. The Romanian Ambassador repeatedly pointed to the permission to distribute the Bibles as an example of his government's goodwill toward religious freedom. Most of the Bibles vanished, however, reappearing as toilet paper sold in Romanian stores. This contemptuous, cynical action demonstrates the utter disregard of the Romanian government to both internationally given promises, and to the sacred book. The grinding up of Bibles into toilet paper constitutes a heinous degradation of religion, unparalleled even among communist governments.

4. The Romanian government bulldozed a number of churches, including Orthodox, Baptist, Pentecostal, and Roman Catholic churches in Romania, most recently in Bucharest, Timisoara and Arad. The largest Baptist church in Europe, at Oradea is scheduled to be demolished in the near future.

5. Five leading Baptist pastors in Bucharest have all been falsely accused of "embezzling" congregational funds which they spent with the full knowledge and consent of their congregations, but without the approval of the Ministry of Cults.

6. Klaus wagner, of Sighisoara, a member of the Brethren Church, and Maria and Fibia Delepeta of Carpinis, members of the Army of the Lord/Romanian Orthodox Church, were arrested October 1, 1981 and sentenced to six years, five years, and five years imprisonment respectively for their "illegal" religious activities.

7. A number of Christians in Romania, among them Silviu Coitata and Costel Georgescu from Ploesti, have been arrested and sentenced for distributing Bibles.

8. John Tedosiu from Cluf-Napoca was arrested and charged on December 16, 1981 for espionage, because of his activities in compiling information for various human rights organizations relating to the arrests and persecution of religious believers in the Socialist Republic of Romania. He has been held incommunicado by the secret police and his present fate today is unknown.

9. Relatives of Christian believers are often compelled to sign statements that could subject their loved ones, solely because of their religious beliefs—to treatment and detention in psychiatric hospitals.

10. In past years, and even today, a number of Christians are subject to repeated interrogations, beatings, torture and electric shock treatments.

The following facts document the Romanian government attitude toward the national minorities in Romania:

1. In the province of Transylvania, where the overwhelming majority of Romania's national minorities live, including the 2.5 million Hungarians, the Romanian government pursues a policy of denationalization toward the nationalities.

2. Education in the mother tongue is severely limited despite international agreements which Romania has signed guaranteeing it. There are practically no courses in Hungarian in the institutions of higher learning, and only very limited instruction in Hungarian in the high schools and vocational schools. About half of the Hungarian high school students are deprived of education in the mother tongue.

3. There is open discrimination against graduates of Hungarian school sections on the high school and university levels. Those who survive and receive a diploma are sent to the Romanian parts of the state for employment.

4. There are no more Hungarian television programs, with the exception of a 30-minute news broadcast on Radio Bucharest. Hungarian theaters and dance troupes are largely to play or perform translations from Romanian plays and dance programs.

5. Documents of the Hungarian history of Transylvania from over a millennium are under government lock and key, and even baptismal records of the Hungarian Reformed Church have been confiscated by the Romanian state in the western dioceses and are being collected in the eastern diocese.

6. There is substantial discrimination against Hungarians and other nationalities in the labor and housing markets which is widely documented. At the same time, there are large-scale settlements of Romanians in the nationality areas.

These reprehensible and blatantly evil practices occur in spite of the fact that in the Paris Peace Treaty of 1947, Romania undertook the solemn obligation not to discriminate on the "basis of race, religion and national origin," and that in the Declaration of the Heads of State at Helsinki on August 1, 1975, Romania agreed "to recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion of belief acting in accordance with the dictates of its own conscience." Similar obligations were undertaken by Romania in the International Covenant of Civil and Political Rights which the Romanian government had ratified in 1974. In accordance with Section 402 of the 1974 Trade Act, Romania's emigration and human rights record is required to be studied annually by the administration, as well as both Houses of Congress in determining its eligibility for Most Favored Nation trading status.

Therefore, it is the Sense of the Senate that:

1. The United States should play an active role in restoring the human rights and cultural and religious rights to the Romanian people in accordance with the Helsinki Accords and the International Covenant of Civil and Political Rights and the principles of religious freedom on which this country was founded.

2. These acts of religious oppression and persecution taken by the government of the Socialist Republic of Romania are barbaric and repugnant to the community of civilized nations, and in violation of the intrinsic rights of all men.

3. These actions are particularly objectionable because they are in blatant violation of the Helsinki Accords and the International Covenant of Civil and Political Rights. Romania's outright contempt for international agreements should be taken into consideration during the future bilateral agreements between this country and the Socialist Republic of Romania.

4. In the event that there has been no improvement in Romania's attitude toward religious freedom, at the next opportunity under Title IV of the Trade Act of 1974, the President should actively consider such human rights violations in deciding whether to re-extend Most Favored Nation trading status for Romania.

Mr. SYMMS. Mr. President, the amendment I am offering today concerns an issue which has come to public attention to an increasing degree in recent months. The amendment I am offering is a sense of the Senate resolution which urges the President, in the absence of improvements in Romania's attitude toward religious freedom to consider human rights violations in deciding whether to reextend most-favored-nation trading status for Romania.

The Finance Subcommittee on International Trade held a hearing on the issue of MFN status for Romania this summer on July 23, and excellent testimony was delivered by our former Ambassador to Romania, David Funderburk, as well as a number of other experts in the field on this subject.

It is clear to me, and to many of my colleagues, that Romania is undeserving of MFN status. The Jackson-Vanik agreement, which tied MFN to emigration and respect for human rights, was sound in its basis. It told Communist countries that the United States would take its internal policies seriously in making decisions on trade relations.

Unfortunately, MFN can easily be taken for granted unless the Congress keeps a watchful eye on recipient countries' behavior. It is apparent that Romania has assumed, because Congress has been remiss in its oversight responsibilities, that it can persecute religious worshippers, trample on human rights, and ignore our protestations, because all our words are meaningless. MFN status is leverage that has the potential to improve the conditions of life for people in Romania, but leverage is useless unless the United States employs it. To ignore human rights abuses, and to let MFN become gratuitous is to tolerate torture, intimidation, and state terrorism, and to turn our shoulder to the suffering of the Romanian people and to others that pray and hope that the United States will exert pressure on their governments to change things for their betterment.

Romania needs the United States; it does not work in the reserve. While total two-way trade, and I am now quoting from testimony delivered by Dr. Juliana Pilon on July 23 before the International Trade Subcommittee, increased from $450 million in 1976 to over $1.21 billion in 1984, United States exports to Romania have held virtually steady from $249 million in 1976 to $246 million in 1984. Romania receives United States Export-Import Bank and Commodity Credit Corporation credits to purchase United States exports, and is eligible for political risk insurance from the Overseas Private Investment Corporation.

So the United States has a large trade imbalance with Romania, while our exports to that country are subsidized by U.S. taxpayers.

Romania capitalizes on its profitable, one-sided relationship with the United States, and its repressive regime is in essence financed by United States aid. As Dr. Richard Pipes has expressed so well in his many publications about the Soviet Union, Communist countries only move to improve their internal conditions when sufficient pressure is exerted upon them externally. Romania is no exception to that rule. The United States Government has protested vocally about human rights in certain countries, most recently about South Africa. There is no comparison between human rights in Romania and in South Africa. Romania has the worst record of human rights in the Eastern bloc. Romania's Dictator, Ceausescu, sanctions such notorious tactics as incarceration in psychiatric hospitals, torture, political assassination. Amnesty International and Helsinki Watch have cited instances of the imprisonment of people who are exercising their right to freedom of expression in a nonviolent fashion. The beating and murder of a priest who simply stated that Christmas should be made a public holiday typifies the atrocities common to the Ceaucescu regime. The abuses seem endless; the reports are so commonplace as to harden many of us in the West about the frequency of their occurrence.

Mr. President, I urge adoption of this amendment and thank my colleagues in advance for their support.

Mr. RUDMAN. Mr. President, the amendment offered by the Senator from Idaho is acceptable on this side.

Mr. HOLLINGS. It is acceptable on this side, Mr. President.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 945) was agreed to.

Mr. RUDMAN. I move to consider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 946

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO], for himself, Mrs. HAWKINS, and Mr. SYMMS, proposes an amendment numbered 946.

At the appropriate place, insert the following new section:

SEC. (a) The Congress finds and declares that—

(1) Miroslav Medvid, a Soviet merchant seaman serving aboard a merchant ship, the *M.V. Marshal Konev*, jumped into the Mississippi River and swan ashore on Thursday, October 24, 1985;

(2) upon reaching shore Medvid contacted a New Orleans Police Department station and indicated he was a Soviet citizen;

(3) Medvid was turned over to the United States Border Patrol which had a contract interpreter interview him by telephone in Ukrainian;

(4) the interpreter states that Medvid clearly stated under questioning that he desired to remain in the United States and that the interpreter informed the Immigration and Naturalization Service Officers on the scene of Medvid's wishes;

(5) despite being informed of Medvid's desire to remain in the United States, the U.S. Border Patrol took him aboard a launch and attempted to return him to the *Marshal Konev;*

(6) Medvid jumped overboard from the launch and again attempted to swim to shore;

(7) the United States Border Patrol pulled Medvid out of the Mississippi River and forcibly returned him to the *Marshal Konev*, reportedly "kicking and screaming";

(8) the Department of State was not informed of the incident until 3:40 P.M. Friday, nearly half a day after Medvid was returned to the ship;

(9) Medvid remained in Soviet custody aboard the *M.V. Konev* for two days until he was interviewed on Monday, October 28, 1985 by a State Department official, both on board the Soviet ship and later aboard a U.S. Coast Guard cutter alongside;

(10) Medvid stated during those interviews and a subsequent interview on Tuesday, October 29, 1985, after a night's rest at a U.S. Navy shore facility, that he wanted to return to the Soviet Union;

(11) there were Soviet officials present at every interview between Medvid and U.S. officials except the first interview during which Medvid stated that he wished to remain in the United States;

(12) the Department of State Office of Asylum Affairs has established formal procedures for handling potential defectors;

(13) the Immigration and Naturalization Service did not follow these procedures and has announced an investigation into this incident; and

(14) this incident appears to follow generally the same pattern as the Simas Kudirka incident, a situation President Nixon stated should never recur.

(b)(1) All Federal agencies, including the Border Patrol and the Immigration and Naturalization Service, shall review their policies for handling persons potentially seeking political asylum.

(2) The Immigration and Naturalization Service shall establish clear, formal rules and procedures for its personnel and for Border Patrol personnel in order to prevent the forced return of any person seeking political asylum to the jurisdiction of the country he or she is fleeing before formally determining, in consultation with the Department of State, whether such person has a well-founded fear of persecution.

(3) Those agencies not having formal procedures for handling persons seeking political asylum or having reason to doubt the effectiveness of their procedures should consult the State Department's Office of Asylum Affairs for assistance.

(4) The Immigration and Naturalization Service shall pursue an active and impartial investigation into the facts and circumstances of the Miroslav Medvid case.

(5) If it is determined by the Immigration and Naturalization Service's investigation that there are gounds to discipline any officials under their jurisdiction for their roles in the Miroslav Medvid incident, appropriate personnel actions to achieve such discipline should be undertaken promptly and effectively, respecting all of the rights of the persons involved, so that any recurrence of improper handling of a political asylum case may be discouraged.

Mr. D'AMATO. Mr. President, I rise today to offer an amendment to this bill to express the sense of the Senate regarding the recent incident in Louisiana where a Soviet sailor tried to defect. My amendment expresses the sense of the Senate that all U.S. personnel, especially personnel of the Immigration and Naturalization Service, shall follow established procedures when confronted with a potential defector.

On October 24, a Soviet sailor, Miroslav Medvid, jumped from his ship, the MV *Konev*, and swam ashore. He was picked up by the border patrol to

be brought back to the MV *Konev*. On the way back, however, he once again jumped overboard and swam to shore. According to official accounts, INS officials did not understand him, so they returned him to the Soviet ship. The State Department came down after the sailor was returned, and only then were proper procedures followed. Unfortunately, this was too little and too late. Medvid remained in Soviet custody aboard the MV *Konev* for 2 days until he was interviewed by U.S. officials on Monday, October 28.

Yesterday, a fellow Helsinki Commissioner, Congressman DON RITTER, brought to public attention, Irene Padoch, the original translator for Miroslav Medvid. What she said, Mr. President, is unbelievable.

Irene Padoch, who works part time as a translator for the Immigration and Naturalization Service, was called in New York to translate by phone for the Soviet sailor. When asked why he jumped, Medvid stated that he would "like to stay in an honest country." He also stated that he could not explain in only a few minutes over the phone why he could not return to the Soviet Union.

Irene Padoch also stated that she made it clear to INS personnel that Mr. Medvid wanted political asylum. Shortly after Ms. Padoch finished her phone conservation with the Ukrainian and the INS officials, Miroslav Medvid was inexplicably returned to the Soviet ship.

I find it hard to understand how U.S. officials can strongly insist that since Medvid had every opportunity to defect and did not, the matter is closed.

Mr. President, the matter is not closed. U.S. officials had a window of opportunity with Miroslav Medvid, and they blew it. The second he was returned to the Soviet ship, his chances of asylum were gone. We should have a complete accounting of events on this matter. I highly commend the President for ordering a complete investigation of this incident.

I do not think there is any doubt that Miroslav Medvid was coerced into changing his mind. We all know it is not difficult for Soviet authorities to change a Soviet citizen's mind. If they did not threaten Mr. Medvid personally, then they threatened his entire family. With this specter over his head, I am not surprised he signed a statement denying his desire to defect.

The Soviet ship is to head back to the Soviet Union tomorrow. What will happen to Mr. Medvid? Most likely, he will disappear, possibly become a nonperson. If he is to face such a demise, the fault will only be ours.

U.S. Officials at the INS and the border patrol, and any other officials who deal with possible asylum situations, must be better educated to respond to such situations. Where none exist, formal procedures for U.S. agencies regarding the handling of persons seeking political asylum must be established. Current procedures should be revised as well, to ensure that there will not be a repeat of this incident.

Mr. President, this matter has been cleared by both the majority and minority. I thank them for their support. I move in the adoption of this amendment.

Mr. RUDMAN. Mr. President, the amendment of the Senator from New York is acceptable on this side.

Mr. HOLLINGS. Mr. President, the amendment is acceptable to us.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 946) was agreed to.

Mr. RUDMAN. I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 884

THE PRESIDING OFFICER. The question recurs on the pending business, the amendment of the Senator from North Carolina [Mr. HELMS].

The Senator from New Hampshire?

Mr. RUDMAN. I thank the Chair.

Mr. President, today I shall raise a point of order challenging the constitutionality of the pending Helms/Armstrong amendment. I am using this unusual procedure because I believe it brings into focus the serious constitutional questions raised by that amendment. This is different from any other instance that Congress restricted the funding for abortions since it involves women whose liberty the Government has curtailed by incarceration in the Federal Prison System. I believe the eighth amendment and the case law clearly requires the Bureau of Prisons to provide a standard of medical care for its inmates that would include the right to provide funding for abortions.

It has long been established that the eighth amendment's prohibition on cruel or unusual punishment requires that medical prisoners receive adequate medical care. The Supreme Court specifically addressed this issue in 1976 in the case, Estelle versus Gamble. In the Estelle case, an inmate sued the Texas Department of Corrections on the grounds that he received inadequate treatment for a back injury. While finding that the plaintiff had in fact received adequate care, the Court laid out the guiding principles of this area of the law. The Court said:

> . . . elementary principles establish the Government's obligation to provide medical care for those whom it is punishing by incarceration. An inmate must rely on prison authorities to treat his medical needs; if the authorities fail to do so, those needs will not be met. In the worst cases, such a failure may actually produce physical "torture or a lingering death," . . . the evils of most immediate concern to the drafters of the amendment. In less serious cases, denial of medical care may result in pain and suffering which no one suggests would serve any penological purpose . . . The infliction of such unnecessary suffering is inconsistent with contemporary standards of decency as manifested in modern legislation codifying the common-law view that "it is but just that the public be required to care for the prisoner, who cannot by reason of the deprivation of his liberty, care for himself."

Mr. President, I believe this decision runs totally against the Helms amendment. In addition, cases decided since the Estelle case have served to strengthen my position. In a case decided in 1977 in New York, Todaro versus Ward, the second circuit stated:

> Noting that inmates are utterly dependent upon their custodians, the court was careful to observe that the eighth amendment forbids not only deprivations of medical care that produce physical torture and lingering death, but also less serious denials which cause or perpetuate pain. To assert otherwise would be inconsistent with contemporary standards of human decency. It is clear from this principle that a constitutional claim is stated when prison officials intentionally deny access to medical care or interfere with prescribed treatment.

Mr. President, the last sentence is crucial—a constitutional claim of a violation of the eighth amendment arises when prison officials intentionally deny access to medical care. Yet, this is precisely what the Helms/Armstrong amendment would do—it would intentionally deny incarcerated women the ability to have an abortion, a medical procedure that is legal under the laws of the United States.

Mr. President, Congress does not have the right to violate an individual's constitutional rights by legislation, nor can it require the Bureau of Prisons to do so.

I want to add that this right to medical care for inmates is fairly broad. Numerous cases have ruled that dental care is included as well as psychological care. Regarding physical care, courts have ruled that the constitutional right to care arises whenever there is a "serious" medical need. A "serious" medical need is defined by the courts as "one that has been diagnosed by a physician as requiring treatment or one that is so obvious that a lay person would easily recognize the necessity for a doctor's attention," or medical treatment of one type or another that would be legal under the law.

Clearly, a pregnancy is so obvious a lay person would recognize the need for medical treatment. Clearly, a pregnancy far exceeds the needs for medical attention than dental work. As such, although the courts have never

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addressed the specific issue of abortion in the Federal Prison System, I believe they would have no choice but to rule that an abortion is a serious medical need that must be protected for inmates.

The Bureau of Prisons has reviewed the matter in detail. Based on the statutes and the case law, the Bureau's policy regarding the medical care provided for its inmates is that each inmate is entitled to at least the same level of medical care that is available to the average citizen of the United States. Anything less, they believe, would violate the inmates' eighth amendment rights. Since abortions are available to the average citizen of the United States, they feel they must also be available to their female inmates.

This analysis is not at all inconsistent with the McRae decision which upheld the Hyde amendment for Medicaid. In that case, the Court found that the restriction on Federal funds did not create an absolute barrier to the ability of a woman to have an abortion pursuant to the exercise of her privacy rights as recognized in Roe versus Wade. If the Helms/Armstrong amendment is adopted, the restriction placed on Federal funds would in fact, create an absolute barrier to indigent prisoners seeking abortions.

In short, Mr. President, we have a unique situation here that is different from other cases where Congress restricted Federal funds for abortions. When the Federal Government incarcerates a woman for committing a crime, it severely limits her liberties. This, in turn, brings into play constitutional protections whereby society guarantees her shelter, food, and minimum adequate medical treatment. I believe the case law would unequivocally include an abortion under the definition of minimum adequate medical treatment. If we in Congress, pass the Helms amendment, we would prohibit her from receiving that medical care since she has no option to go elsewhere.

For all these reasons, I believe the pending amendment would directly violate the eighth amendment of the U.S. Constitution. We cannot do our job as Senators if we create such a situation. Therefore, I shall raise the point of order that the amendment is unconstitutional and I urge all my colleagues to support me.

CONSTITUTIONAL POINT OF ORDER

Mr. President, I raise a point of order that the pending amendment (No. 884) is in violation of the Constitution.

The PRESIDING OFFICER. Under the precedents of the Senate, dating back to Vice President John C. Calhoun, the question of constitutionality is submitted to the judgment of the Senate.

Mr. RUDMAN. Mr. President, I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. METZENBAUM. Mr. President, will the Senator from North Carolina yield for a moment, or perhaps he would like to ask for the yeas and nays?

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, does the Senator from Ohio wish to be recognized? I will yield to him.

Mr. METZENBAUM. For a brief statement. That will be very gracious on the Senator's part.

Mr. HELMS. Mr. President, I yield to the Senator, without losing my right to the floor.

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

Mr. METZENBAUM. I thank the Senator from North Carolina for yielding to me.

Mr. President, I support the constitutional point of order raised by the distinguished Senator from New Hampshire. I believe that the point he has made so eloquently and has explained so well, having to do with the legal aspects of the question, provides a convincing case as to why it would be unconstitutional for the Senate to adopt this amendment. Probably there is no more appropriate legislation we could find in which it would be more inappropriate for us to add an unconstitutional amendment than one having to do with Justice Department appropriations.

Having said that, let me reiterate what I said the other day. It is my strong belief that the U.S. Congress has had a plethora of abortion amendments over the past 9 years. As a matter of fact, we have averaged about one a week, either an amendment or a bill, and I believe that enough is enough.

I hope the Senate will see fit not to act favorably in connection with the Helms-Armstrong amendment. I think it would probably be more appropriate if the matter were disposed of on the basis raised by the Senator from New Hampshire, and that is that it would deprive the women who are incarcerated in prison of their constitutional rights.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, my friend from Ohio said there has been a plethora of amendments over the past several years with respect to efforts to try to protect innocent human lives. He is correct—and I suggest to him that they are going to continue as long as Federal funds are used for the deliberate termination of innocent human life.

He and I happen to disagree on this question, and I hope we can continue to disagree agreeably.

As for my able friend from New Hampshire, there is no one in this Chamber whom I respect more than WARREN RUDMAN. He has brought a breath of fresh air to the Senate. He is a vigorous, creative, imaginative Senator, and I admire him very much. He raises the question of the constitutionality of this amendment cosponsored by the distinguished Senator from Colorado [Mr. ARMSTRONG] and me.

This amendment simply applies the Hyde amendment to the Bureau of Prisons. I am not a lawyer, and that may be one of my few virtues around this place. Of course, the Constitution is not the exclusive domain of lawyers. As a matter of fact, the vast majority of people who framed the Constitution of the United States were not lawyers, so I cannot submit to a suggestion that only lawyers can understand the Constitution. I know that the Senator from New Hampshire has not contended that.

I have been struck over the years by the speciousness of editorial writers of this Nation with respect to what they call court stripping. If you want a bunch of constitutional experts who do not know anything about the Constitution, just look on the editorial pages of the major newspapers of this country.

There has been a constant effort by this Senator and others, over the past several years, to restore school prayer, I say to my friend from New Hampshire. Each time we raise it, the specter of an unconstitutional act is raised. Not so.

Article III of the Constitution is written in very clear English. The Founding Fathers, the drafters of the Constitution in my judgment, recognized that there was such a thing as judicial tyranny. Therefore, they included in article III not only the explicit congressional authority but also, in my judgment, the duty to rein in a runaway Supreme Court. This is an opinion not held solely by JESSE HELMS or anybody else. I have consulted countless constitutional scholars.

Sam Ervin did not agree with me about the school prayer issue; but he told me over and over again, "Your approach is right," whether it be with respect to school prayer or whatever.

So I hope that Congress, and certainly the Senate, will not this day embark on a misinterpretation of the Constitution of the United States. I, of course, hope that the point of order raised by the Senator from New Hampshire will not be sustained by the Senate.

The Constitution is the charter for the Federal Government, entered into

by all Americans—lawyers and nonlawyers—and those of us in Congress should have a particular regard for it because we take an oath to uphold it and to obey it.

Let me address just one or two things that my friend from New Hampshire said. He talked about unnecessary suffering at one point.

I say to my friend that we are not talking about some abstract thing such as an appendectomy or an ingrown toenail procedure. We are talking about the deliberate termination of innocent human life. That is what an abortion is.

The Hyde amendment certainly ought to be applicable to the Bureau of Prisons. That is what the Senator from Colorado and I are trying to do. We are simply asking the Senate to provide that the Bureau of Prisons is not to use Federal funds, the taxpayers' money, appropriated under this bill, for the purpose of abortion. Through this legislation, Congress will be placing a restriction on funds we propose to appropriate.

I do not think it takes a constitutional scholar, self-appointed or otherwise, to understand article I, section 9 of the Constitution, because it clearly, and without any ambiguity whatsoever, gives Congress the power of the purse. In part, that section provides:

> No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.

If we approve the amendment by the Senator from Colorado and myself, we will be saying that no money shall be drawn from the Treasury to terminate innocent human life in Federal prisons. I say that in this case we are on the firmest of constitutional ground.

In addition, the Supreme Court has already concurred in this judgment in the landmark case of Harris versus McRae.

It is 448 U.S. 297, 1980.

That case stands for the proposition that congressional restrictions against spending appropriated moneys for abortions violates no provision of the Constitution.

Among other things, the Court said in McRae, "Whether freedom of choice that is constitutionally protected warrants Federal subsidization is a question for Congress to answer, not a matter of constitutional entitlement. Accordingly, we conclude that the Hyde amendment does not impinge on the due process liberty recognized in Wade."

Mr. President, in no way do I concede the validity of Roe versus Wade in citing this section of the McRae case. As far as I am concerned, Roe versus Wade has no basis whatsoever in the Constitution. It was in the judgment of this Senator an unconstitutional usurpation of power by the Supreme Court and has led to the destruction of innocent human life on a scale totally unprecedented in the history of this country.

But the point is that the Supreme Court in McRae, the case I just cited, held that there is nothing inconsistent between its holding in Roe versus Wade and congressional restrictions against funding abortions.

But let us get back to the bottom line, Mr. President.

This vote will put Senators on record one way or the other as to whether they favor using Federal funds for the purpose of deliberately terminating innocent human life.

The PRESIDING OFFICER. If the Senator will withhold, under the unanimous-consent agreement, pursuant to which this appropriation bill came to the floor, consideration of the bill will terminate at this time.

Mr. RUDMAN. Mr. President, will the Senator from North Carolina yield for the purpose of an inquiry of the Chair?

Mr. HELMS. I yield.

Mr. RUDMAN. Mr. President, in a moment I am going to suggest the absence of a quorum. The agreement we had with the majority and minority leaders was that at 1 o'clock, if we had not finished, they would want to give us a time certain for extension.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. RUDMAN. I withhold.

Mr. HELMS. Mr. President, let me yield the floor so others may take it after the Senator has consulted with the leadership about the extension of time.

Mr. RUDMAN. I thank the Senator.

Mr. HELMS. I thank the Senator.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CHAFEE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. RUDMAN. Mr. President, I ask unanimous consent that the time to consider this bill be extended until the time of 2 p.m.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire?

Mr. LAUTENBERG. No objection.

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

The Senator from Colorado is recognized.

Mr. ARMSTRONG. Mr. President, I wish to take a few minutes to tell you why the point of order propounded by the Senator from New Hampshire is off the mark and why I hope and believe that the Senate will not sustain the point of order, but before I do so I wish to relate an experience that I had 20-some years ago when I was a new member of the State legislature.

I do intent to explain exactly and I think it is perfectly clear that the amendment offered by the Senator from North Carolina and me is constitutional, but I do so with this reservation that no one knows with any certainty what a court will do. No one knows for sure if the same set of circumstances, for example, that were present in Roe versus Wade were present to this Court or some future Court whether they would hold the same way or find some reason, some excuse to enter a different order under seemingly identical circumstances.

But the episode that I wish to recall is that when I was I think in my first term in the State legislature about two decades ago, the Colorado General Assembly was going to consider some legislation relating to redistricting and reapportionment, and we called in every legal scholar for 250 miles around, and they all came in and solemnly predicted exactly what the court would do, and all of them were 100 percent dead wrong.

The point is this, that when it comes to really knowing for sure particularly on close questions what some court is going to do, the fact is we do not know. And this issue of the constitutional status of abortion legislation is an area of the law that is evolving and very clearly both in the public consciousness and in the courts the direction in which this matter is evolving is toward a less permissive attitude toward abortion.

It seems very clear that even some people who in the past have been favorable to abortion, who have favored abortion on demand, who have favored permissive resort to this surgical procedure, are having second thoughts. Indeed, many have completely changed their mind in the light of medical evidence which I think impartial observers would agree is increasingly persuasive that the unborn fetus is not just a something, it is a person, it is a human living baby.

So, it appears to me, Mr. President, while I am now going to take a moment to explain why I think this amendment is constitutional, it does, nonetheless, appear to me that this is really an intellectual cul de sac that Senators should not primarily make their decision on how to vote on this point of order based on someone's observation about its constitutionality because in reality this is a policy issue. Does the Senate wish to provide Federal funding for abortion? That is the issue. It is not primarily a question of what happened in the McCrae case or what happened in the other cases which are being cited here today.

With that reservation, Mr. President, let me just make the following

points about the constitutional status of this amendment.

First of all, I wish to note just as a matter of historical record that the abortion lobby has argued that every amendment that has ever been proposed which sought to restrict funding for abortion is unconstitutional. You will remember that they argued that the Hyde amendment was unconstitutional and at one point even found a Federal district court that agreed with that point of view, although the Supreme Court subsequently affirmed the authority of Congress to refuse to pay for abortions and that, my friends, is the issue in this amendment.

It is not whether or not any persons in or out of prison shall have a right to abortion. The question is whether they have a constitutionally protected right to have the Federal Government pay for it.

Second, I wish to point out that Congress, after suitable consideration, has decided not to pay for abortions of women on welfare, Medicaid, and that is the issue in the McRae case, Federal employees, our own staff, Peace Corps personnel, or military personnel and their dependents.

So far as I know, no one seriously argues that we have a constitutional responsibility to provide such funding, even though it would appear to me that someone could argue at some level that we might have a greater constitutional obligation to provide generous funding for these persons than for Federal prisoners.

The reality is that abortion is an elective procedure. The amendment paralleling the Hyde restriction against Medicare funding of abortion leaves room to deal with the life-of-mother situation.

The question is for an elective procedure whether or not we should pay for such procedures out of the Federal revenues.

In the statement presented by the Senator from New Hampshire in support of his point of order, the Senator makes the following observation with which I thoroughly disagree. He said, "If the Helms-Armstrong amendment is adopted, the restriction placed on Federal funds would, without a doubt create an absolute barrier to indigent prisoners seeking abortions."

I do not think that is correct. Even if it were correct, I do not think it steps across the line of what is constitutionally permissible, because it is analogous to the same situation that people who are not prisoners face; that is, the Federal Government does not necessarily pay for such abortions. We have not said, well, there is Medicaid or in some other way that the Federal Government is so obligated.

But I want to make it absolutely clear to anybody who might be following this or who is interested in the issue, that we are not talking about whether or not a prisoner has a right to an abortion. The question is whether or not a prisoner has a right to have it paid for by the Federal Government. That distinction is important because, as a practical matter, funds are available, regrettably, in my judgment, to pay for such abortions, even for prisoners.

Mr. President, I do not want to draw this out at any great length. I think most Senators will understand this is not primarily a constitutional question. It is a policy issue at this point. Those who think it is wise for the Federal Government to pay for abortions will vote to sustain the point of order. Those who think it is unwise will not do so.

The underlying question, however, as the Senator from North Carolina has said today and as he has so often forcefully made the case, is one of life. If Senators believe that the fetus is something less than human, then I do not see how a Senator can vote to in any way restrict the right of a pregnant mother to have this kind of help. Indeed, it is an invasion of privacy, which I think is justified only if one concludes that the fetus is in fact a living, helpless human baby. And the evidence in support of that point of view is so strong, so massive at every level, including the medical level, that I am convinced that not only a majority of Senators, but a growing number of people in every line of work, in every section of the country of every political persuasion really feel that to terminate such a life is wrong and to do it with Federal funds is not a policy which we want to support.

So I hope the point of order will not be sustained.

Mr. WEICKER. Mr. President, I am going to be very brief, because I understand everybody agrees we should get to the vote on the point of order. Indeed, if that is not sustained, we will have a chance to debate the merits of the proposal. So I hope we would vote on the point of order almost immediately.

But I want to make a couple of remarks in relation to the comments of the distinguished Senator from Colorado.

No. 1, whether the Senator likes it or not—and he and our colleague, the distinguished Senator from North Carolina, do not like it—the fact is Roe versus Wade is the law of the land.

Point No. 2, when the Senator mentions elective, that implies that one has a freedom to choose. That is the reason the constitutional issue arises here. This is not a question, in other words, of poor versus rich, such as the Medicare law. That was decided by the Court and I disagree with that decision. That decision regarding Federal funding said that those who cannot afford it will not get an abortion; those who can, can still go out and get an abortion.

The issue here however, between the free and the imprisoned. There is no election involved as far as the individuals are concerned. They do not have the choices. They are in prison. They have lost their freedom.

So, obviously, the constitutional issue raised under the eighth amendment comes up in terms of cruel and unusual punishment. Whatever they may be denied is clearly set forth in law within the bounds of this amendment.

But please let us understand the Senator's portrayal here. It is as if the same choices were available to the inmate as are available to anyone of us, no matter what our category. But this is just not so, and he raises an entirely new issue under the Constitution.

Mr. ARMSTRONG. Will the Senator yield just so we can pin down the area of our disagreement on this?

Mr. WEICKER. Yes.

Mr. ARMSTRONG. I think that we have a real disagreement, not only about the policy, but about the effect of this amendment. So far as I am aware, there is nothing in this amendment that prohibits a prisoner who is seeking an abortion from arranging for such an abortion, getting the funds for it through relatives, friends, their father, their children, or through some proper abortion philanthropist. I do not personally approve of an abortion financed that way. I have already made it clear that I feel abortions are morally wrong in almost all cases.

But this amendment does not go nearly that far. This simply says the Federal funds should not be used. As a practical matter, we are talking about several dozen abortions a year, for which adequate funds are readily available through proper abortion philanthropic sources, even though I might not approve of them. So I hope the Senator from Connecticut would reconsider his concern, at least to that extent.

Mr. WEICKER. No; I cannot reconsider my concern, because to say that means a prisoner has a choice; a full range of options for his or her care. The prisoner does not have that choice. That is exactly the point I am making. They cannot, on their own volition, run to see any physician or exercise a choice to have whatever diet they want. The prisoner does not have those choices.

The Senator is imposing his standard—and I respect that and I have no problem with that, because I am a free man. I can fight back in a variety of ways.

A prisoner is not a free person. That is the difference. That is the constitutional issue.

Mr. President, I yield the floor.

Mr. PACKWOOD. Mr. President, Senator HELMS' amendment to the State, Justice, Commerce appropriation bill would prohibit funds appropriated under the act from being "used to pay for abortions for which Federal funds are not available under the Medicaid Program * * *" The intent of the amendment appears to be to place a "Hyde-type" restriction on the ability of prison authorities to pay for abortions. While such restrictions have been upheld in public benefit programs in the Harris versus McRae case, I do not believe it can be constitutionally applied in the context of the Federal prisons.

The Supreme Court held in Estelle versus Gamble that "deliberate indifferences to serious medical needs of prisoners constitutes the unnecessary and wanton infliction of pain" is in violation of the eighth amendment proscription against cruel and unusual punishment.

While the Court left open the question of what treatment a prisoner is entitled to receive in a particular instance, it is clear that "serious medical needs" is not limited to life threatening illness and is intended to include medical conditions that threaten health or cause pain and suffering. Against this backdrop, it is clear that the Helms' amendment, which would mandate "deliberate indifference" to medical needs for which abortion is indicated except in instances of life endangerment, violates the eighth amendment.

The McRae decision, which upheld the constitutionality of the Hyde amendment is not relevant. In that case, the Supreme Court held that a restriction on the use of Federal Medicaid funds for abortion did not violate the Constitution because it did not create an absolute barrier to the exercise of the privacy right recognized in Roe versus Wade. It simply removed the Federal subsidy. In theory—although rarely in practice—a Medicaid recipient may pay for the abortion herself or seek other sources of funding. A Federal prisoner has no such alternative. She must "rely on prison authorities to treat [her] medical needs; if the authorities fail to do so, those needs will not be met."

I urge my colleagues to vote against this amendment on the grounds that it is in violation of the eighth amendment to the Constitution.

Mr. HELMS. Mr. President, if there is no other Senator who wishes to speak, I intend, on behalf of Senator ARMSTRONG and myself, to move to table the point of order. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion to table the matter: Is the point of order well-taken that the amendment violates the Constitution and, for that reason, is not in order?

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Wyoming [Mr. WALLOP] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Arizona [Mr. DECONCINI], the Senator from California [Mr. JOHNSTON], and the Senator from Louisiana [Mr. LONG] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 47, nays 48, as follows:

[Rollcall Vote No. 274 Leg.]

YEAS—47

Abdnor	Ford	McClure
Andrews	Garn	McConnell
Armstrong	Gore	Melcher
Biden	Gramm	Mitchell
Boren	Grassley	Murkowski
Boschwitz	Hatch	Nickles
D'Amato	Hatfield	Pressler
Danforth	Hawkins	Proxmire
Denton	Hecht	Quayle
Dixon	Heflin	Roth
Dole	Helms	Symms
Domenici	Humphrey	Thurmond
Durenberger	Kasten	Trible
Eagleton	Laxalt	Wilson
East	Lugar	Zorinsky
Exon	Mattingly	

NAYS—48

Baucus	Harkin	Packwood
Bingaman	Hart	Pell
Bradley	Heinz	Pryor
Bumpers	Hollings	Riegle
Burdick	Inouye	Rockefeller
Byrd	Kassebaum	Rudman
Chafee	Kennedy	Sarbanes
Chiles	Kerry	Sasser
Cochran	Lautenberg	Simon
Cohen	Leahy	Simpson
Cranston	Levin	Specter
Dodd	Mathias	Stafford
Evans	Matsunaga	Stennis
Glenn	Metzenbaum	Stevens
Goldwater	Moynihan	Warner
Gorton	Nunn	Weicker

NOT VOTING—5

Bentsen	Johnston	Wallop
DeConcini	Long	

So the motion to table was rejected.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. METZENBAUM. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I had asked for the yeas and nays on the point of order. Depending on the feelings of the Senator from North Carolina and the Senator from Colorado, I would ask unanimous consent to vitiate the yeas and nays and go to a voice vote.

I yield to the Senator from Colorado.

Mr. ARMSTRONG. Has the Senator from North Carolina spoken on the question?

Mr. HELMS. No, I have not.

Mr. ARMSTRONG. I would be happy to follow the Senator from North Carolina.

Mr. HELMS. Go ahead.

Mr. ARMSTRONG. Mr. President, my thought is it is well to vitiate the yeas and nays. We have had a clear vote, though it is disappointing to me. Perhaps we can vote on this matter another day when all 100 Senators are present. But for now, I believe that view will prevail.

Mr. RUDMAN. Mr. President, I thank my friend from North Carolina and my friend from Colorado for their courtesy.

Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

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

Mr. RUDMAN. Mr. President, I ask for the immediate consideration of the pending question.

The PRESIDING OFFICER. The question is, Is the point of order well taken?

All those in favor, say, "aye"; opposed, "no."

The ayes appear to have it. The ayes have it.

The amendment (number 884) falls.

Mr. RUDMAN. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, what is the pending business?

COMMITTEE AMENDMENT ON PAGE 69

The PRESIDING OFFICER. The question is on the committee amendment on page 69.

Mr. RUDMAN Mr. President, am I correct in that the committee amendment is now the pending business?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. It is my understanding that the Senator from New Hampshire, my colleague, Mr. HUMPHREY, has an amendment he wishes to offer to the committee amendment. I yield the floor.

AMENDMENT NO. 947

(Purpose: To limit the use of funds appropriated by this Act tro the Legal Services Corporation to be used to participate in any litigation with respect to abortion)

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Is there just one committee amendment remaining?

The PRESIDING OFFICER. There is one committee amendment to strike and insert language.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 947.

On page 69, after line 24, add the following:

(c) None of the funds appropriated by the Act to the Legal Services Corporation may be used by the Corporation or any recipient of the Corporation to participate in any litigation with respect to abortion.

Mr. RUDMAN. Mr. President, will my colleague yield?

Mr. HUMPHREY. I yield to my colleague.

Mr. RUDMAN. I just want to say to those Senators who may be interested that it will probably be at least a half to three-quarters of an hour before we are able to get to final passage. We have this amendment and a number of technical amendments.

I thank my colleague for yielding.

The PRESIDING OFFICER. The Senator from New Hampshire [Mr. HUMPHREY] is recognized.

Mr. HUMPHREY. Mr. President, the amendment now before the Senate has a simple purpose. That is to further restrict the Legal Services Corporation in matters of litigation involving abortion. Congress in the past has applied some restrictions which, from the point of view of a number of Senators, have proven to be insufficient to the challenge.

The fact of the matter is that the Legal Services Act can still be interpreted in such a way as to permit Legal Service grantees—that is, its attorneys—to permit them to litigate in matters of abortion.

The act as it is presently constituted does not permit Legal Services grantees to be involved in nontherapeutic abortions; that is, those abortions which are not medically indicated. The difficulty is that nowadays, a woman seeking an abortion can invariably find a doctor or doctors who will certify that it is in the interest of her mental health as opposed to physical health. Therefore, the stricture against Legal Services appropriations involvement in nontherapeutic abortions is really a nullity, since all abortions can be reclassified, if you will, as therapeutic simply by finding a doctor who will state that it is in the interest of a mother's mental health to have an abortion. Of course, it is very difficult for anybody to argue against that finding.

Mr. RUDMAN. Mr. President, will my colleague yield?

Mr. HUMPHREY. I yield to my colleague.

Mr. RUDMAN. I say to my colleague that my understanding of the amendment as it has been sent to the desk is not as it has been presented. As there are no other amendments in order, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. HUMPHREY. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, in a private conversation a moment ago, the Senator from Ohio expressed some concern about the amendment as drafted. I invite him to express that concern to the Senate perhaps we can address it by modifying my amendment.

Mr. METZENBAUM. Mr. President, let me see if I can discuss where we are. The Senator from New Hampshire has offered an amendment restricting the Legal Services Corporation from expending any of their funds to participate in any litigation with respect to abortion.

The language of the law at the present time provides that no funds can be used to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual institution to perform any abortion or assist in the performance of an abortion or provide facilities for the performance of an abortion contrary to the religious beliefs or moral convictions of such individual institution. That language is in the law, and I am frank to admit that I do not think it should be in the law. I do not think the Legal Services Corporation should have those restrictions upon its activities. But I rose the other day to indicate that I was not prepared to come to the floor of the Senate at this point to battle to improve the law or to change it, that I thought we had gone far enough.

Now we have had the Helms-Armstrong amendment having to do with abortions in prisons. Fortunately, the Senate saw fit, in a very close vote, to find that that was not constitutional. We now have before us the Humphrey amendment.

The Humphrey amendment would extend, over and beyond the present language, the restrictions on the Legal Services Corporation. It does not actually provide the exception which is provided in the Hyde amendment having to do with abortions relating to preserving and protecting the life of the pregnant woman.

Do I understand correctly that the Senator from New Hampshire is willing to amend his amendment in order to provide the same language which is presently to be found in the Hyde amendment?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. METZENBAUM. I yield.

Mr. HUMPHREY. Mr. President, it is now well established, by a great many votes in both Houses of Congress, that it would appear to be prudent policy to include the so-called Hyde exception, the life of the mother exception, and matters of a kind which are now before us. I have my personal preference, as has the Senator from Ohio. I would prefer no exception. But I know about the expressions of sentiment on the part of Members of this body in recent years, and I am aware that the amendment now before the Senate would be a good deal more palatable not only to the Senator from Ohio but also to many others if I were to modify it, as requested, to include the usual Hyde language exception.

If it is agreeable to the Senator from Ohio, I will now send a modification to the desk, to modify it in that respect.

Mr. METZENBAUM. I thank the Senator from New Hampshire for his cooperation. I look forward to taking another look at the amendment.

The PRESIDING OFFICER. The amendment is so modified.

The modified amendment is as follows:

On page 69, after line 24, add the following:

SECTION 607. None of the funds appropriated by the Act to the Legal Services Corporation may be used by the Corporation or any recipient to participate in any litigation with respect to abortion except where the life of the mother would be endangered if the fetus were carried to term.

Mr. WEICKER. Mr. President, I find it a rather interesting approach to the law in this Nation that there is an availability to the law of a certain dimension for one category of citizens and then, if you are poor, apparently the availability to the law is slightly different from another category of citizens. That, in essence, is what you are doing here.

If you have legal services, it seems to me that you have legal services, period. This issue has been nibbled away at in other areas, not just abortion.

I want to put myself on record as saying that what I think Congress is doing is, on the basis of income, on the basis of economic status, applying a different standard of the law to one constituency as compared to another.

That is not my idea of the law nor the way the law is to be applied, nor the way availability of the law is to be applied.

Point No. 2: I think it must be clear to everybody in this Chamber that the votes really no longer exist on either side of this abortion issue, either to roll back the legislation achieved in the last several years by those who are termed pro life—and I find that objec-

tionable, because I do not think it accurately describes the situation—and I do not think the votes are here for any further extension of the law than that which presently exists.

I urge my colleagues, whether they are on this floor or whether they are listening in their offices, that the time has come to give a rest to this whole issue. Nobody is going to achieve less than exists in the law today; nobody is going to achieve more than exists in the law. All we are going to achieve is to take time and attention away from the issues that are truly pressing to this Nation.

Assurances have been given by my colleague from North Carolina and others that they will not see any pullback in the areas in which they have achieved gains over the years, and I respect that. However, speaking for those of us on my side of these issues, let me assure my colleagues that under no circumstances are we going to go any further on this issue.

So let us get on with the business we have in many other areas and be done with this issue, at least for the time being. The votes are on neither side—or, to put it another way, there are plenty of votes on both sides to make sure that we waste a lot of time and achieve nothing for it.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the time for consideration of the farm bill be moved forward to either 2:30 or at such time as action is completed on this measure, whichever is sooner.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. RUDMAN. Mr. President, I clarify that request by saying that in referring to this measure, I mean the pending bill.

I inquire of the Senator from New Hampshire and the Senator from Ohio whether or not we are ready for action on this. I understand that we are not.

I say to everyone that we are going up against a real deadline. I am told that at 2:30 we will go back to the farm bill, so I hope we might be able to get action on this matter fairly soon.

I yield the floor.

Mr. HELMS. Mr. President, I have been reviewing the provisions in this bill for the Legal Services Corporation [LSC]. I am glad to note that this year the committee wisely acted to remove riders from last year's appropriations bill which had the effect of unnecessarily tying the hands of the management at LSC.

Congress is not and should not be in the business of managing in detail any Federal agency or federally created and funded private corporation. To involve Congress in day-to-day management decisions is demonstrably not only inefficient and burdensome, but subject to political winds.

Therefore, I commend the committee's hands-off approach regarding LSC. As we all know the Corporation now has in place responsible senior management, individuals who share a commitment to providing legal aid to those unable to afford access to our Nation's courts. The management is further enhanced by a broad-based, bipartisan, and Senate-confirmed Board of Directors.

Mr. President, with this in mind, it is all the more appropriate that we in Congress remove ourselves from the temptation to, for lack of a better word, "micromanage" the Legal Services Corporation. And while I feel the legislative language clearly does resist this temptation, I am troubled by the report language I read on pages 76 and 77 of the committee report. It seems to be doing the very thing that the bill is avoiding—making or influencing management decisions.

After months of public testimony, extensive debate, and open and careful deliberations, the Board of Directors made some difficult budget decisions. In fact, Congress itself might want to learn from their example. Fully appreciating the deficits before the Congress, the LSC Board did not come asking for more. They asked for the same funding they had last year. They were willing to attempt to do more with less.

Now the Appropriations Committee, in one quick judgment, has determined that certain Board decisions were premature, or based on an incorrect interpretation of data, and that the Elderlaw Program, which has been funding law clinics, specifically designed for our elderly, should be eliminated.

Whether I or anyone else agree or disagree with the Board's funding decisions or other actions is immaterial. What is relevant is this: Congress has no business superimposing our judgment about day-to-day management or the exercise of fidiciary duties on the LSC Board of Directors and its management.

For example, the LSC Board has studied the issue of funding for legal services to migrant farmworkers for the past year. Some of my colleagues, I am certain, disagree with LSC's decision that the migrant programs are currently overfunded. These colleagues want no reduction in the funding of migrant programs. I personally am not convinced that LSC should fund any programs specifically geared to migrants. Migrants are included within the eligible clients served by the general legal services grantees. Furthermore, from what my constituents tell me, these migrant programs may be involved in improper activities.

Obviously there are many facets to this one problem. But one thing is clear. Political considerations should not be factors in these types of decisions. It is for that very reason that Congress created the Corporation.

We are not dealing with a Federal agency. We are not dealing with a department in the executive branch. We are dealing with an independent, nonprofit, federally funded corporation. Therefore, Mr. President, we must refrain from tampering with decisions made by an independent and Senate-confirmed Board of Directors—decisions made within the congressionally established framework.

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

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

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the clerk read the amendment as modified.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The legislative clerk read as follows:

Amendment No. 947 has been modified as follows:

On page 69, after line 24, add the following:

SEC. 607. None of the funds appropriated by the Act to the Legal Services Corporation may be used by the Corporation or any recipient to participate in any litigation with respect to abortion except where the life of the mother would be endangered if the fetus were carried to term.

Mr. HUMPHREY. Mr. President, I trust that that relieves the concern of the Senator from Ohio and others of like mind. It is certainly meant in good faith to do that.

I understand the sentiment of the Senator from Connecticut and others. I think we are all proceeding in good faith by acting in conscience in this matter. We happen to differ, unfortunately, but we are acting in good conscience.

From my point of view, I see no reason to compel taxpayers to provide funds for this purpose, except with respect to the present modification, where the life of the mother is threatened by carrying the fetus to term. That is a well-established precedent in the Senate. I wish it were not, but I am willing to accept that.

I do not know that there is need for a great deal more debate on this side. Perhaps the Senator from Ohio cares to add something.

Mr. METZENBAUM. Mr. President, the Senator from New Hampshire has certainly been cooperative in modifying his amendment.

I am frank to say that the amendment is still something about which I feel very strongly. But I am also realist enough to recognize what the previ-

ous vote was, and that was on the constitutional issue. I do have some concerns as to whether, if the matter were put to a vote, we would prevail on this issue. Since the Senator from New Hampshire has seen fit to modify the amendment to include the language that is presently in the law, I cannot say that I look with favor upon accepting the amendment; but I have said previously that I would not object to going as far as the present law goes.

Strictly speaking, this goes further because it adds it to the Legal Services Corporation, where it is not at the moment. But the limitations on the Legal Services Corporation at the present time are so strict with respect to abortion that I do not believe there will be much additional proscription of their activities by reason of this amendment. Under the circumstances, I do not deem it appropriate to tie up the Senate for hours or ad infinitum discussing that issue.

I hope that those who see fit to bring abortion amendments to the floor on Monday, Tuesday, Wednesday, Thursday, or Friday, whenever, we are in session, might understand that if that be the continued practice, then we are indeed going to take the only alternative available, and that is to discuss the issue at length.

Mr. RUDMAN. Mr. President, I believe that all of the parties to this amendment now are in agreement. We are willing to accept the amendment on this side of the aisle.

I understand that my friend from South Carolina is also willing to accept this amendment.

Mr. HOLLINGS. We accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 947), as modified, was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, the Senator from Utah [Mr. HATCH] wanted to be here to offer this amendment himself, the amendment is acceptable to the committee. He is concerned about the use of carryover funds by the Legal Services Corporation. The amendment which I will offer in his behalf, states that funds provided by the Legal Services Corporation for fiscal year 1986 could not be expended until carryover funds have been expended.

AMENDMENT NO. 948

(Purpose: To assure that recipients of funds from the Legal Services Corporation expend carryover funds)

Mr. RUDMAN. Mr. President, I send to the desk an amendment on behalf of the Senator from Utah [Mr. HATCH] and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for Mr. HATCH, proposes an amendment numbered 948.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 59, line 21, before the period, insert a colon and the following: *"Provided further,* That none of the funds appropriated in this Act to the Legal Services Corporation and made available to grantees may be expended by any recipient of such funds until such recipient has expended all funds carried over from previous fiscal years, unless the failure to expend the funds carried over from previous fiscal years has been approved by the Legal Services Corporation".

Mr. HATCH. Mr. President, the amendment I am offering today would clarify one nagging question concerning funds which have been carried over from one fiscal year to the next by grantees of the Legal Services Corporation.

It states that recipients of funds provided by the Legal Services Corporation for fiscal year 1986 could not be expended until the recipient has expended all funds carried over from previous fiscal years. The amendment would resolve the ongoing debate as to the status of various funds that some Corporation recipients have segregated in order to fund activities prohibited by restrictions enacted by Congress first in 1983.

As we all know, congressional restrictions concerning the Legal Services Corporation have changed in the last several years in order to eliminate alleged loopholes in previous appropriation and authorization statutes which allowed Corporation recipients to circumvent congressional intent. Some grantees, aware of congressional action, have chosen not to spend Federal funds provided in previous years on the legal needs of the poor in order to build a reservoir of money to finance activities which today are prohibited.

The amendment I am offering today would resolve this issue by requiring a recipient of Corporation funds in fiscal year 1986 to expend all funds carried over from previous years before it could spend any 1986 moneys. It would ensure that there would be one standard of compliance, one standard of prohibited activities for Corporation recipients and would eliminate any lingering doubt as to what is and is not prohibited.

Mr. RUDMAN. Will the Senator yield for a question?

Mr. HATCH. I gladly yield to the Senator from New Hampshire.

Mr. RUDMAN. I understand the purpose of your amendment is to ensure that there will be one standard of prohibited activities applied to Corporation recipients, the standards found in H.R. 2965, as reported by the Senate Committee on Appropriations. Would a recipient which does not segregate its funds and thus might not be aware of exactly which dollars are carried over and which are not, would such a recipient satisfy the requirements of your amendment if it agreed that all funds it may have are subject to the restrictions found in the H.R. 2965?

Mr. HATCH. Yes, such a stipulation would be a practical method for complying with this amendment with regard to existing cash balances. If, however, the recipient you have described is keeping funds in Treasury bonds, savings accounts, unneeded real estate, or other such holdings, then the recipient would be required to convert and expend these funds prior to spending any money made available under this act. I think that recipients should not be allowed to hold funds in reserve, as some have done, but instead spend the money on meeting the legal needs of the poor.

I should note, Mr. President, that the amendment does provide an exemption where the failure to expend the funds carried over from previous fiscal years has been approved by the Legal Services Corporation. I would note that recipients are already required to secure LSC approval to carry over a fund balance in excess of 10 percent of their annual grant. The exemption simply builds on that process and I believe it will insure that the amendment does not have an unintended, arbitrary consequence.

In sum, Mr. President, the amendment will resolve the issue of the proper standard of compliance for carried-over funds and will make available to eligible clients at the very least an estimated $5 million now being held in reserve.

The amendment I am proposing today has been endorsed by the Legal Services Corporation. I urge my colleagues to join me in voting to adopt this amendment.

Mr. RUDMAN. Mr. President, I ask for immediate consideration of the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire?

Mr. HOLLINGS. No objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 948) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, we have a few more matters that we are going to have to take up. We will do that in a few minutes. I look foward to being able to move to final passage of this bill.

I see the Senator from Florida is here and he may seek recognition. I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

AMENDMENT NO. 949

(Purpose: To set aside funds under the Bureau of Prisons for a prison for illegal alien felons)

Mr. CHILES. Mr. President, I send to the desk an amendment to the bill and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] proposes an amendment numbered 949.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 21, on line 10 after $46,063,000, add the following: $7.1 million of Bureau of Prison funds shall be used to renovate or construct a facility to be used as a maximum security penitentiary for the incarceration of illegal alien felons.

PRISON FOR ILLEGAL ALIEN FELONS

Mr. CHILES. Mr. President, I rise to offer an amendment to the State, Justice, Commerce appropriations bill for 1986 for the purpose of providing funds for a prison for illegal alien felons.

Last night, 115 Mariel criminals rioted at the Krome North INS detention facility in south Florida. After injuring 7 guards, 46 of these criminals escaped from detention by climbing over the barbed wire fence.

This should come as no surprise to anyone. It certainly wasn't a surprise to me and I don't think it was a surprise to the Department of Justice, especially the Bureau of Prisons.

Krome North is an INS detention and processing center—at the most it is a minimum security facility that is intended to house 525 aliens who are awaiting determinations on their entrance eligibility to the United States. In these facilities, most of the detainees' only crime is to have crossed our borders without proper documentation. Yet, illegal alien felons like the Mariel criminals are being placed in such facilities because the administration claims there is no room in more secure prisons.

For several years, this country has struggled with the dilemma of what to do with illegal aliens who commit a felony and cannot be deported. A good example of such felons are the Mariel criminals who were forced upon the United States by Castro during the Mariel boatlift of 1980. Many of these criminals have been convicted of crimes since being in the United States and have become a major burden on our State and local prisons. We cannot deport them so we are forced to incarcerate them. And, we are faced with the serious question of what to do with them after they serve their sentences.

Mr. President, these people are not eligible for entry, let alone residency, in the United States. Many of them are hardened criminals whom law enforcement officials have described as the worst they have ever seen. This Government must make a decision about what to do with them.

I do not believe the dangerous Mariels should be paroled or let out on the streets. They have demonstrated that they are a serious threat to our communities. They should be held in maximum security facilities until our Government can negotiate their deportation.

But, someone within the Department of Justice keeps saying there are no rooms in our prisons and have opted to house these criminals in facilities like Krome North. This is like keeping a brahma bull in my backyard—it's only a matter of time before he kicks down the fence. Allowing such criminals to be housed with other detainees in limited security facilities like Krome is equivalent to putting them on the streets. This policy is a direct threat to our citizens.

Mr. President, my amendment would set aside $7.1 million from the Bureau of Prisons funds for the renovation or construction of a facility to be used as a maximum security prison for incarcerating illegal alien felons. Such a facility is needed to reverse the current practice of holding or detaining illegal alien felons in U.S. detention centers such as El Paso, TX, or Krome North, FL. In accordance with this facility, the Attorney General shall establish guidelines for the placement of illegal alien felons in such maximum security facilities to ensure that such criminals are not held in detention facilities or other facilities with inadequate security.

Mr. President, I regret that such criminals gained entry to our country.

I also regret every dime we have had to spend to incarcerate them.

But, I regret most the hideous crimes they have imposed upon our people.

The Department of Justice says we do not have room in our prisons for them—we cannot afford additional space. I say we cannot afford to have such criminals on our streets. I believe my view will be less expensive for the future—the safety of our people cannot be jeopardized by a price tag.

Mr. President, this amendment would be for the purpose of providing some funds for a prison for illegal alien felons.

Last night, Mr. President, 115 Mariel criminals rioted at the Krome North INS detention facility in south Florida. After injuring some 7 guards, 46 of these criminals escaped from detention by climbing over the barbed wire fence.

This should come as no surprise to anyone. It clearly was not a surprise to me.

I do not think it was a surprise to the Department of Justice, especially the Bureau of Prisons.

Krome North is an INS detention and processing center at the most a minimum security facility intended to house 521 aliens who are waiting determination of entrance eligibility to the United States.

In these facilities most of the detainees' only crime is to have crossed our borders without proper documentation. Yet illegal alien felons, and I stress that, Mr. President, felons like the Mariel criminals are being placed in such facilities because the administration claims there is no more secure prison.

I have discussed this with the manager and ranking minority member.

I seek to earmark some funds out of the Bureau of Prison capital account so that something can be done to house these particularly illegal alien felons.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Florida has been forcefully bringing this to our attention over the past several years as a member of our Subcommittee on Appropriations. We have even had staff visitation to go down and look at it, and it is just exactly as described by the distinguished Senator from Florida, and we have recommended improvements to the extent we could under our budget allocation.

Now the Senator from Florida has within the amount recommended fashioned an allocation which will be within the budget but will be earmarked for something that we can get

a more security facility for these illegal alien felons.

I commend the distinguished Senator from Florida in his persistence in bringing it to our attention today. He has been doing it and to some extent we have been holding up, but I think we cannot hold up any longer. I support the amendment.

The PRESIDING OFFICER. (Mr. WILSON). The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, I join in the remarks of my friend from South Carolina, the ranking minority member of the subcommittee.

The Senator from Florida approached us today. I would remark that this is one of the more timely amendments that I have seen, since this incident happened last night. But the fact is that it is one of a continuing series of incidents——

Mr. CHILES. Absolutely.

Mr. RUDMAN [continuing]. That the Senator from Florida has talked to the subcommittee about. We believe that the people of Florida certainly need the kind of protection that the Senator from Florida is suggesting, and ask for immediate consideration of the amendment.

Mr. CHAFEE. Mr. President, I wish to ask a question if I may.

As I understand it, this amendment takes moneys from within this bill set-aside for the Bureau of Prisons and designates that x dollars, is it $7.1 million, go to these facilities? In other words, it does not add money. It merely earmarks money from the Bureau of Prisons.

Mr. RUDMAN. The Senator is correct. We believe due to the size and flexibility of that account that it is a reasonable request in light of recent events.

Mr. CHAFEE. The figure is $7.1 million. As I understand it, the total appropriation for the Bureau of Prisons is probably something like $46 million. Is that correct?

Mr. RUDMAN. The Senator is correct.

Mr. CHAFEE. Forty-six million dollars. So this sets aside one-sixth of it or a little more, and I assume that the Bureau of Prisons has arrived at the $7.1 million figure. That is where it came from.

Mr. CHILES. The figure did come from what they said it would take.

Mr. CHAFEE. That is what they said it would take to meet the goal.

Mr. CHILES. Yes.

Mr. CHAFEE. I thank the Senator.

Mr. RUDMAN. If there be no further debate, I ask for immediate consideration of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 949) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 949, AS MODIFIED

(Later the following occurred.)

Mr. RUDMAN. Mr. President, regarding the previous amendment offered by Senator CHILES, there was a drafting error in that amendment. I ask unanimous consent that the amendment, as agreed to, be modified.

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

Mr. RUDMAN. It is a purely technical change.

The amendment (No. 949), as modified, reads as follows:

(Conclusion of later proceedings.)

On page 21, on line 10 after $46,063,000, add the following: of which $7.1 million shall be used to renovate or construct a facility to be used as a maximum security penitentiary for the incarceration of illegal alien felons.

AMENDMENT NO. 950

Mr. HOLLINGS. Mr. President, on behalf of the distinguished chairman, the manager of the bill, the Senator from New Hampshire and myself, I send a technical amendment to the desk and ask the clerk to state it.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for himself and Mr. RUDMAN proposes an amendment numbered 950.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 12, line 5 strike "$71,200,000" and insert in lieu thereof "$72,710,000" and on page 19, line 15 strike "$600,000,000" and insert in lieu thereof "$598,490,000".

On page 23, line 6 strike "including salaries and expenses in connection therewith,".

Mr. HOLLINGS. Mr. President, let me state that this is a technical amendment. It corrects the bill in three instances.

First, in the Department of Justice we moved $1,510,000 from the Immigration and Naturalization Service to the general administration account.

In committee we provided for the Immigration and Naturalization Service staff at the new Oakdale, LA, facility and at that time we inadvertently included $1,510,000 for eight additional immigration judges and associated staff instead of adding to the general administration where such costs are now budgeted. So that requires changing the bill in the two places.

Mr. President, in addition, the other change deletes the phrase "including salaries and expenses in connection therewith" from the bill.

The House of Representatives had approved and earmarked for juvenile justice and delinquency prevention activities that included the associated salaries and expenses. In marking up the bill we consolidated all the salaries and expenses of the Office of Justice Assistance in one place.

We neglected to delete this phrase in sending the bill to the printer. So that makes the other particular correction.

I yield to the distinguished Senator from New Hampshire, if he would like to comment.

Mr. RUDMAN. Mr. President, I simply join in the remarks of my friend from South Carolina. This amendment is one that I join him in offering and I certainly support it. I ask for the immediate consideration of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 950) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

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

AMENDMENT NO. 951

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO] proposes an amendment numbered 951.

Mr. D'AMATO. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 3, after line 10 insert:

In addition, for "Economic development assistance programs"; $32,100,000, to remain available until expended, of which $11,100,000 is for a grant to the Rochester Institute of Technology in Rochester, New York, for construction, equipment, and all related development costs of a Center for Microelectronic Engineering and Imaging Sciences; of which $4,000,000 is for a grant to Lexington County, South Carolina, for

all expenditures related to the development of a state-of-the-art fiber optics/medium power cable research and development facility in Lexington County; of which $13,500,000 is for a grant to Northeastern University, Massachusetts, for the construction and related costs of the University's Southwest Corridor Economic Development and High Technology Resource Center; and of which $3,500,000 is for a grant to the School of Engineering at the University of Nevada, Las Vegas, for construction, equipment, and all related costs to develop instructional and research computing systems and enlarge engineering facilities on the University of Nevada, Las Vegas campus.

Mr. D'AMATO. Mr. President, the Office of Technology Assessment, the Business-Higher Education Forum and other sources warn that the competitive position of American electronics and engineering is threatened by foreign competition. America's share of the world's high technology exports has been steadily declining over the last 10 years. At the same time, there is a chronic and growing shortage of entry-level engineers in the highly sophisticated specialty of microelectronic engineering. This amendment addresses this and other problems which our Nation's universities are tackling.

This amendment provides $11.1 million for the Rochester Institute of Technology's Center for Microelectronic Engineering, $13.5 million for Northeastern University's Economic Development and High Technology Resource Center, $4 million for the proposed research and development facility in Lexington County, SC, and $3.5 million for the University of Nevada, Las Vegas.

The present need for microelectronic engineering is estimated to be about 2,000 people, with a subsequent need for 400 additional microelectronic engineers each year.

In addition to the almost commonplace integration of microelectronic components in manufactured goods, the need for microelectronic engineers is critical to this Nation's efforts in developing new computer architectures, such as applications for supercomputers and for networking the proposed strategic defense initiative [SDI]. Without qualified microelectronic engineers to conduct groundbreaking research in these areas, the widespread application of supercomputers and the goals proposed in the SDI will be virtually impossible.

Rochester Institute of Technology's Microelectronic Engineering Program can combine the unique resources of RIT in photographic sciences with the areas of electronic engineering and computer science to provide curriculum that responds to the need for microelectronic engineers. An article in USA Today illustrates this fact, May 17, 1985, USA Today:

Hi-Tech grads lead charge in chip battle with Japan

When five seniors clutch their diplomas Saturday morning, USA education will graduate to the information Age.

Trained by Rochester (N.Y.) Institute of Technology and 13 high-tech firms, these grads:

The USA's first with microelectronics degrees

Have precisely the skills computer chipmakers need to battle Japan.

Because chips are the life-blood of the high-tech economy, that's one battle the USA can't afford to lose.

Firms like Motorola and Texas Instruments typically hire chemical or electronics engineers, then spend a year—and thousands of dollars—retraining them. Not any more. "It's time U.S. universities lead rather than follow," Richard Kenyon, RIT dean of engineering.

Job offers clearly show RIT's success. Graduate Kevin Venor, 24, who studied six months at IMB Corp. and six months at Hewlett-Packard Co., steps into a $32,000 job at H-P. Don Hess, 24, applied to five companies and got offers from four. "The capabilities of these students are just amazing," said Mary Anne Potter, a TI manager.

The RIT program, dreamed up over lunch by a TI manager and an RIT professor, shows how USA industry is spawning, even supervising university work. Dozens of schools—including Stanford, MIT and Texas—may follow RIT, which plans to graduate 50 to 60 students a year from the program.

The schools are turning to industry for two reasons. Federal funds are slipping and high-tech education is costly. Firms have contributed $7 million to RIT's program. Says Kenyon, "None of this would have occurred without their help."

The payoff for industry is getting, fresh from college, the ingenuity to move ahead of Japan. Says Fred Tucker, a Motorola general manager, "They will help us do it better and right the first time."

Although primarily a teaching institution, RIT is also an important resource for applied research. RIT conducts applied research efforts in several functional areas: electronics, energy, graphic arts, computer science and engineering, and productivity.

The purpose of the center for microelectronic engineering is to develop an interdisciplinary program that incorporates components of photolithography and photographic science, chemistry, physics, electrical engineering and computer engineering to achieve five objectives: First, provide undergraduate and graduate degree programs in microelectronic engineering to address the urgent need for engineers in this specialized field; second, conduct applied research and testing projects in cooperation with industry in order to enhance the productivity of the electronic industry; third, provide ongoing professional development opportunities for the engineering profession, focusing on new developments in process engineering and manufacture of integrated circuits; fourth, offer seminars, conferences and special programs to hasten the communication of new technological developments and to enhance the productivity of the microelectronic engineering work force; and fifth, create a model laboratory for the design and fabrication of integrated circuits.

RIT's center would also include an interdisciplinary program for research and training: the Center for Imaging Science, it involves the collaboration of several RIT colleges, including: the Colleges of Imaging and Photographic Science, Engineering, Applied Science and Technology, and the School of Fine and Applied Arts.

The center will focus on RIT's record of expertise in digitalized imaging, microphoto lithography and remote sensing to further develop research and training in the areas of chemistry, color, remote sensing, optics and densitometry. These areas are critical in electro-optics and machine vision.

Mr. President, America's share of the world's high technology exports have declined from 25 to 20 percent during the last 10 years. These trends in international economic competition are paralleled by the continuing demand for new engineers in U.S. industries and a chronic shortage of entry-level engineers in the highly sophisticated specialty of microelectronic engineering. We need the kind of cooperative educational, research and training efforts that would result from the center for microelectronic engineering. Our Nation desperately needs microelectronic engineers and high technology industries if we are to be successful in foreign competition.

Excellence in science and engineering depends upon cooperative partnerships between institutions of higher education and private industry. RIT's center fits this description.

Their proposal was developed in close cooperation with a number of major companies, among them: Texas Instruments, IBM, Motorola, National Semiconductor, and Eastman Kodak. RIT's unique and unparalleled expertise in photolithography is the core of a network of educational resources that also makes this institute specially suited to meet the personnel requirements of the microelectronics industry. Support for this amendment will increase the number of microelectronic engineers.

This amendment promotes U.S. technological strength and advances our economic and physical security. Therefore, I ask my colleagues to join me in supporting this amendment.

LEXINGTON COUNTY, SOUTH CAROLINA FIBER-OPTICS RESEARCH AND DEVELOPMENT FACILITY

Mr. HOLLINGS. Mr. President, I am pleased that the distinguished junior Senator from New York [Mr. D'AMATO] has included within his amendment $4 million to assist in the construction of a 40,000-square-foot advanced communications research and development facility that will be located in Lexington County, SC. Lex-

ington County officials, in cooperation with the South Carolina research authority, have been working with the private sector toward the establishment of a state-of-the-art R&D center. Construction of this facility is expected to begin next summer at a total cost of $9.5 million and will join a $21,200,000 Pirelli Cable Corp. manufacturing facility in Lexington that began construction in August 1985.

Pirelli already has facilities in Abbeville, Beaufort, and Greenwood, SC. This fiber-optics R&D facility will provide new jobs for Lexington County and help South Carolina remain in the forefront of high technology manufacturing in the Nation. The fiber-optics facility will be closely linked to the University of South Carolina in a cooperative student research program. It is, therefore, an investment in the future of our Nation by providing urgently needed scientific skills for those being trained in this high technology industry.

Mr. RUDMAN. Mr. President, the amendment as offered has been cleared on both sides by the distinguished Senator from South Carolina and by the majority.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 951) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 952

(Purpose: To pay claims pursuant to Section 7 of the Fisherman's Protective Act for 2 U.S. shrimp boats seized by Brazil and a U.S. tuna boat seized by the Solomon Islands)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 952.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 9 line 1: strike "$1,800,000." and insert in lieu thereof the following: "$4,200,000, of which $2,400,000 is to be derived from the general fund of the Treasury and of which $1,800,000 is"

Mr. HOLLINGS. Mr. President, this amendment provides $2,400,000 for the Fisherman's Protective Act.

As the Senate will recall, the Fisherman's Protective Act section 7 program is funded by a combination of industry fees and direct appropriations. In recent years, until we appropriated $2,500,000 in the recent Supplemental Appropriations Act, all of the funding has come from the industry fees. The program has operated in recent years at an annual level of approximately $1.8 million.

Calendar year 1984 was an unusually active year with several seizures of shrimp boats by Brazil and a tuna boat seizure by the Solomon Islands. Three shrimp boats were confiscated by Brazil after lengthy detentions and the tuna boat was released after being confiscated and then sold back to the owner. There is an obligation under our policy to reimburse these boats seized within the so-called arbitrary limits involving both Brazil and the Solomon Islands.

Because of the unusually high number of seizures in 1984, the resulting claims, processed in 1985, exhausted the funds available in the Fisherman's Protective Act section 7 program for fiscal year 1985. Earlier this year, the administration requested a fiscal year 1985 supplemental appropriation of $2.5 million for these claims, which I said earlier, was included in the fiscal year 1985 supplemental appropriation bill.

Unfortunately, NOAA underestimated the amount of the tuna claim which will now substantially exceed the $2.5 million. The claim grew because the vessel owner could not complete repairs and go fishing again until he received payment on his claim which was delayed until the supplemental appropriations bill was passed. The claim thus increased every day because of increased lost fishing time. Consequently, the supplemental appropriation will not cover the two remaining shrimp boat claims.

NOAA now needs an additional $2.4 million of direct appropriations to be added to the fiscal year 1985 appropriation to cover these additional claims. The two shrimp vessel claims are $843,400 for the *Condor* and $866,500 for the *Sea Horse*. In addition, I understand that $600,000 to $700,000 is needed for the tuna vessel. The Department of Commerce has informally verified these amounts.

It was an oversight in the markup of the bill.

Mr. President, does the Senator from New Hampshire have any comments? Otherwise, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 952) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I yield back to my friend from South Carolina.

AMENDMENT NO. 953

Mr. HOLLINGS. Mr. President, I have one further amendment, which makes the necessary offsets to the outlays added to the bill total by actions on the Senate floor.

I will read it. Then the clerk may report it.

On page 34, line 21 strike "$36,400,000" and insert in lieu thereof "$29,400,000".

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 953.

On page 34, line 21 strike "$36,400,000" and insert in lieu thereof "$29,400,000".

Mr. HOLLINGS. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 953) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, we are nearly at the point of final passage. However, a problem has developed which I believe can be straightened out.

Mr. President, I ask unanimous consent that Senator D'AMATO be listed as a cosponsor of the Chiles amendment (No. 949) which has been adopted.

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

APPROPRIATION FOR THE LEGAL SERVICES CORPORATION

Mr. GRASSLEY. Mr. President, I am pleased to note that H.R. 2965, the appropriation bill for the Legal Services Corporation [LSC], rids itself of language from past bills that has undermined the independence and leadership of the Board of Directors for the Corporation. For example, last year's appropriation, Public Law 98-411, required the Corporation to maintain a specific level of funding to all grantees. H.R. 2965 also discards a funding formula in last year's bill that required the Corporation to allocate funds at a specific level to each grantee. With these restrictions on author-

ity absent from this year's appropriation bill, the LSC Board of Directors can move ahead with greater flexibility and the assurance of the confidence that Congress has placed in them.

Last spring, this body confirmed the LSC Board nominees and, is so doing, expressed its trust and optimism in what marked a new beginning of self-management for the Corporation. With Congress no longer the micromanager of LSC, the Board will realize its intended authority and discretion provided for in the Legal Services Corporation Act of 1974.

While H.R. 2965 provides $306,400,000 to be appropriated for the Corporation, the language of the bill sets forth restrictions for certain class action suits, lobbying activities, representation of certain aliens, training activities, refunding and defunding procedures, and governing board composition. These restrictions contribute to the integrity of this bill by ensuring compliance with the purpose of LSC's existence—that is to provide legal assistance to individual poor persons. These restrictions receive widespread, bipartisan support from both Houses.

I am disappointed, however, by language in the report (99-150) which accompanies H.R. 2965. This language states that the Appropriations Committee recommends the elimination of the Elderlaw Program, a $1 million spending proposal by the Corporation in their fiscal year 1986 budget submission. There Elderlaw Program has at least two significant benefits. First, it provides specialized legal services to a group who are in particular need of such services—the elderly. Second, it offers law students an opportunity to gain needed experience in the practice of law and heightens their sensitivity to serving the public. I certainly hope that the conferees on this bill will reconsider this report language.

I am pleased to see the favorable support that H.R. 2965 has attracted and am confident that the Board of the Legal Services Corporation will make the most of the opportunity that presents itself through this measure.

● Mr. LAUTENBERG. Mr. President, I rise in support of H.R. 2965, the appropriation bill for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

This bill is accompanied by report language that I offered in the subcommittee, to halt efforts to close the National Weather Service station in Newark. In May, the Department of Commerce published its intention to close the Newark station. This month or next, it was going to issue requests for proposals to provide local weather observations by private contractors.

But, Mr. President, over 75 percent of the man-hours at the station are dedicated to functions other than observations. These would have to be relocated, or simply terminated. The result would be added expenses at other stations, or a dimution in service to the people of New Jersey.

The airport station plays a key role in the area's flood warning system. That system is critical to the health and safety of citizens in flood-prone northern New Jersey. The station also provides adaptive local forecasting, tailoring general New York forecsts to the particular geography, and climate of New Jersey.

The station also provides on-the-spot weather information for air transportation. There have been a disturbing number of air traffic accidents this year—many of them, weather related. We should not risk the safety of air travelers, by reducing our ability to monitor the latest breaking weather developments affecting air transportation.

Mr. President, the Department has presented no evidence that the contracting out of this station would result in the most efficient means of providing essential weather service. I am not opposed to contracting out, where the private sector can accomplish the same goals more efficiently.

But, what we have here is not a case of Government for less cost. At best, we have a case of less Government for less. And how much less? One unofficial estimate put the potential savings at less than $30,000 a year. That's $30,000 a year to put the flood-prone areas of New Jersey at risk; to put New Jersey air travelers' at risk; and to deny New Jersey locally oriented weather service.

At worst, we have a case of less Government for greater cost, as the Department will have to hire new people in New York and elsewhere to pick up some of Newark's functions, while paying contractors to conduct observations in New Jersey.

For all these reasons, I offered and the report includes language that directs the Department to cease its efforts to contract out weather observations at Newark, and to close down the station. It directs the Department not to proceed with its plan or otherwise reorganize weather service functions at Newark unless it first secures the Committee's prior approval. Last, the language requires the Department to supply the analysis that has been lacking thus far on how existing weather service and public safety functions would be continued, what impact the contracting out would have, and what real cost savings would result.

Mr. President, I am pleased that the report includes this important provision, preserving essential weather service to northern New Jersey. I urge my colleagues to support the bill.●

CENSUS BUREAU

● Mr. SPECTER. Mr. President, House Report No. 99-197 directs the Census Bureau to "* * * cease research and valuation efforts of noncash benefits, which are inkind benefits received as food stamps, school lunches, Medicare, public housing, employer contributions for pension and health plans, and other forms.". Senate Report No. 99-150 reaffirms the commitment of the Congress, as expressed in Public Law 96-536, to a Census Bureau program of collecting data on participation in federally funded, inkind benefit programs.

Mr. President, I do not agree with the suggestion of the House that we should cease research and valuation effort on the measurement of noncash benefits. However, I believe legitimate concerns have been raised regarding the methods used in determining the value of inkind benefits, as well as the extent to which specific noncash benefits are included in the official income data series of the Census Bureau. I believe it is important that, until the many conceptual and empirical problems associated with the valuation of inkind benefits are resolved, the Census Bureau carefully distinguish between studies of such income and official income data series. I would also be seriously concerned about any effort by any agency to determine program eligibility, benefit levels, program allocations, and so forth on the basis of such relatively untested data. Moreover, in carrying out Congress' mandate to study inkind benefits as income, the Census Bureau should be encouraged to obtain advice not only from technical experts, but also from the general scientific community, interested citizens, and congressional committees that care to participate.

I believe these views express the intent of Congress in adopting Public Law 96-536. I would welcome the thoughts of the distinguished subcommittee chairman on these matters.

Mr. RUDMAN. Mr. President, I cannot contradict my friend from Pennsylvania and I share many of his concerns. I agree that it is important to continue the research the Census Bureau has begun. Certainly, there can be no objection to, and there is much to commend, seeking a broad range of input on valuation techniques, and in broadening the kinds of benefits that are studies.

Mr. SPECTER. I thank the Senator.●

STATE JUSTICE INSTITUTE ACT

● Mr. HEFLIN. Mr. President, I am pleased to note that H.R. 2965 includes the first appropriation for the State Justice Institute. The initial sum is a modest one, but it represents an historic milestone in the Development of American federalism because it recognizes for the first time the importance of the separation of powers doctrine in relations between the Federal Government and State judiciaries. In addition, it recognizes the critical role

State courts play in our dual systems of justice, a role too often overlooked by Congress which necessarily focuses its attention on the Federal courts except when there are complaints about the manner in which the State systems are functioning. Then, we are too prone to propose Federal solutions that may increase the burdens of the Federal courts or that increase the problems of the equally burdened State court systems.

By creating and funding the State Justice Institute, Mr. President, Congress has recognized that the best solutions to many national problems, including many problems of the Federal courts, may be found through improved operation of the State courts or in changes or improvements in relations between the State and Federal systems.

There are no limits to the tasks that face the institute, Mr. President, and it is important, particularly in light of the limited funds that will be available, that the institutes's initial board of directors be free to set priorities and launch a program that will assure attention over the long term to the most critical issues facing the Federal judicial system. In this regard, I am pleased to see that the committee's report contains no special directives and places no restrictions on the board of directors, leaving it free to devise the initial agenda as it deems best.

I am glad to see the State Justice Institute is finally coming to fruition, but it could not have been passed, and the funding been approved, without the active and continuing support of colleagues from both sides of the aisle. These have included Senators THURMOND and BIDEN of the Judiciary Committee; Senators DOLE and EAST as chairmen of the Subcommittee on Courts; and Senators HATFIELD, STENNIS, LAXALT, RUDMAN, and HOLLINGS of the Appropriations Subcommittee on Commerce, Justice, State, and the Judiciary.

I would also like to acknowledge the assistance of Mr. John Shank, Mr. Rick Spees, and Mr. Warren Kane of the subcommittee staff for their invaluable service.

I urge my colleagues to join with me in giving their unqualified support to the State Justice Institute.●

DEA LAB

Mr. SPECTER. Mr. President, I would like to direct the attention of the distinguished floor manager of the bill, the Senator from New Hampshire [Mr. RUDMAN], to the section of the bill dealing with the Drug Enforcement Administration.

The bill as reported includes $28.7 million more than the budget request for the DEA, which is to cover the costs of new drug enforcement initiatives. The Senator from New Hampshire is aware as I am of a problem at the DEA mid-Atlantic laboratory.

This laboratory is responsible for analyzing all drug exhibits confiscated in the Washington, DC, metropolitan area and a three-State region, but because of the unique relationship of the Federal Government and the D.C. criminal justice system it also handles the exhibits brought in by the D.C. Metropolitan Police. This is because the U.S. attorney for the District of Columbia is also the local prosecutor.

Mr. President, the U.S. Attorney's Office tells me that from March through August of this year filings in felony drug cases are up 27 percent over the same period in 1984. It has been reported in the Washington Post that some drug misdemeanor cases have been dismissed in D.C. Superior Court as the result of delays in receiving drug analysis reports. This is totally unacceptable.

In order to rectify this situation, I am informed that 11 additional staff, 8 chemists, 2 clerical and 1 professional/technical are required, along with the necessary laboratory equipment. The cost would be $959,900. My question to the Senator is that within the increase provided to the DEA in the bill would it be our intention that this type of situation be corrected and that we should earmark this amount for those positions and equipment at the mid-Atlantic lab?

Mr. RUDMAN. Mr. President, I am indeed aware of the situation regarding the DEA mid-Atlantic laboratory. As far as I know, the Senator from Pennsylvania has correctly stated the situation.

In answer to his question, the type of corrective action which he describes, is what we have in mind and I would hope that DEA officials will look on this discussion as an expression of the Senate's intent that those resources be allocated to the mid-Atlantic lab.

Mr. SPECTER. I thank the Senator for his comments on this matter.

VERTICAL PRICE RESTRAINTS

Mr. HOLLINGS. Mr. President, I join my colleagues in support of section 605 of the House bill relating to resale price maintenance, as well as the new language addressing the Department of Justice enforcement guidelines.

The House language, like its predecessors in past approriations bills, prohibits funding for any activity to alter the per se prohibition on resale price maintenance now in effect under Federal law.

The new language, which was adopted in the Senate Appropriations Committee, addresses the guidelines in three ways. First, it states the sense of the Congress that the guidelines are contrary to existing antitrust law and should be given no force and effect by the courts. Second, it urges the Department of Justice to recall the guidelines and not reissue them until interested parties are given an opportunity to comment on the policies expressed in the guidelines. Third, it clearly states that any antitrust policy guidelines issued by the Department of Justice cannot supersede existing law.

Mr. President, during the summer, the National Association of Attorneys General adopted a resolution strongly disapproving of the guidelines. I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, the United States Department of Justice published antitrust enforcement guidelines entitled "Vertical Restraints Guidelines" on January 23, 1985, which have been circulated to the judiciary, business community, and the public at large; and

Whereas, such Guidelines were issued with the avowed purpose of clarifying the enforcement policy of the Department of Justice's Antitrust Division with regard to nonprice vertical restraints of trade and in so doing have purported to interpret and state what the current federal law is in the area of vertical restraints; and

Whereas, the Antitrust Division has not filed any lawsuits challenging vertical restraints of trade in the past 55 months; and

Whereas, the Antitrust Division engaged in an "amicus intervention program" in the period 1981-1983, intervening in private antitrust suits where defendants were charged with vertical price-fixing, urging the courts to abandon the settled law that such price-fixing agreements were *per se* unlawful, and continued such amicus filings until Congress barred further activity in the Department of Justice appropriation for fiscal year 1984; and

Whereas, despite the stated purpose of clarifying policy in the area of non-price vertical restraints and despite the Supreme Court's recent refusal to overturn the rule that vertical price-fixing is *per se* unlawful in the case of *Monsanto* v. *Spray-Rite Service Corp.* 104 S. Ct. 1464 (1984), the Guidelines clearly apply to certain vertical price-fixing agreements and treat these as subject to the "rule of reason" rather than settled *per se* rule; and

Whereas, the Guidelines misstate the law applicable to vertical restraints by totally excluding anticompetitive effects in intrabrand markets from the rule of reason analysis; and

Whereas, the Guidelines treat certain horizontal restraints of trade that are *per se* unlawful as though they were vertical restraints subject to rule of reason analysis; and

Whereas, the Guidelines adopt the position that certain vertical restraints are always lawful, when the lawfulness of such restraints can only be determined after a full rule of reason inquiry and such restraints have in certain cases been found unreasonable and illegal, thereby jeopardizing business that might rely upon the Guidelines in adopting these restraints; and

Whereas, the Guidelines misstate the rule of *per se* illegality applicable to certain restraints of trade and adopt an unprecedented modified rule of reason test in relation to

certain restraints that are *per se* unlawful; and

Whereas, the Guidelines misstate the law applicable to tying arrangements despite the fact that the applicable law was recently clarified by the Supreme Court in the case of *Jefferson Parish Hospital District No. 2* v. *Hyde*, 104 S. Ct. 1551 (1984); and

Whereas, the Guidelines misstate the law concerning the liability of corporations for acts of responsible corporate employees;

Now, therefore, be it resolved, That is is the sense of National Association of Attorneys General that:

(1) The Vertical Restraints Guidelines issued by the Department of Justice on January 23, 1985, do not accurately reflect the judicial interpretation of the federal antitrust laws with regard to non-price vertical restraints of trade, vertical price-fixing agreements, the relevance of intrabrand competition, the application of *per se* rules, tying arrangements, the distinction between horizontal and vertical restraints, and the liability of corporations for the acts of responsible corporate employees; and

(2) The Guidelines should not be accorded any force of law or treated by the courts of the United States or of any state as persuasive; and

(3) The Guidelines are a danger to the business community in that reliance thereupon might encourage businesses to adopt restraints of trade that might be actionable and ultimately held unlawful, exposing the defendants to treble damages and litigation costs; and

Be it further resolved, That the National Association of Attorneys General directs its Executive Director and General Counsel to furnish copies of this resolution to the Administration, Congress, leaders of the business community, and other interested individuals.

Mr. LAUTENBERG. Mr. President, I rise in support of H.R. 2965, the appropriations bill for Commerce, Justice, State, and the Judiciary and related agencies.

This bill includes funding for several key agencies charged with implementing our Nation's trade policy. Unfortunately, Mr. President, the administration's trade policy, such as it is, is a failure. September's trade deficit was announced yesterday. It was a record breaking $15.5 billion.

We need to make a number of a major changes to reverse this worsening trend. We need to get the value of the dollar down, and market intervention has begun to do that, but in the long term, we need to get our fiscal house in order, and we need to reconsider the basic international financial framework. We also need to push more aggressively, to open markets abroad, and to free our businesses to compete, and to combat unfair trading practices.

This week, the Democratic trade policy working group, on which I serve, announced a significant proposal, that calls for fundamental reform of the GATT, and reform of the international financial system. Separately, I have proposed legislation to combat piracy and conterfeiting of American intellectual property, America's innovation, which lies at the core of its comparative advantage.

This bill maintains funding for the Department of Commerce, including its International Trade Administration; the International Trade Commission, which is charged with adjudicating a rising number of unfair trade complaints and pleas for trade relief; and the Office of the U.S. Trade Representative, the administration's key trade negotiator.

Even in a time of great fiscal constraint, we have tried to maintain adequate funding for these key instruments of trade policy. The bill includes $1.6 million over the budget request for the USTR. The bill provides an increase of $2.9 million over last year's funding for the International Trade Commission.

The committee report also includes two other provisions, which I offered in committee, which will have an impact on our trade picture. One pertains to the $4 million for development of an automated system for export licensing and export controls. The committee included directions to the Commerce Department to provide for: prompt licensing; access by exporters for electronic filing of applications; access by exporters to information on the status of their applications; support for the foreign availability program.

Mr. President, our Export Licensing Program should be operated as efficiently as possible. While maintaining important security interests, it should not unduly impede the efforts of our business community to export and to compete in foreign markets. For that reason, the committee also asks the Department to conduct a review of the staffing and experience levels of those responsible for implementing this high technical area.

These are small steps, Mr. President, in addressing a major economic problem. However, for those companies manufacturing and selling sophisticated, high technology products—the kinds of products where America can compete—improving the operation of our export licensing system can be critical.

Mr. President, I urge adoption of the bill.●

PROPOSED INS REORGANIZATION

● Mr. BOSCHWITZ. I rise in support of a relatively modest provision in the Commerce, Justice, and State appropriations bill.

The Immigration and Naturalization Service has proposed closing the northern regional office in Minneapolis/St. Paul. Several of my colleagues and I requested that the Appropriations Committee prevent funding for 1 year for the reorganization of the INS regional offices and specifically the closing of the northern regional office, because of our grave concerns about the effect of the closing of that office.

The northern regional office is one of the most efficient of the regional offices, with a staff of experienced and dedicated immigration personnel. Close working relationships between the northern regional staff and Canadian authorities have developed over the years, along with regional expertise on problems unique to this area. Also, this reorganization appears to leave our northern border weak and vulnerable, giving the majority of attention to the southern border.

If the northern regional office closes, there will be no regional office with experience in policy planning and responsibility for the northern border and large interior enforcement areas. Consequently, northern border and large interior enforcement areas will suffer a decline in INS coverage.

By delaying the reorganization for 1 year, Congress will have the opportunity to thoroughly and thoughtfully consider all the ramifications of this most complex proposition.●

●Mr. SPECTER. Mr. President, I am very concerned about a matter currently under consideration by the Securities Exchange Commission, whose appropriation is included in this bill.

The SEC has promulgated a proposed regulation which seeks to overturn the recent decision of the Supreme Court of Delaware in the case of Unocal Corp. against Mesa Petroleum Co. In that case, the Delaware Supreme Court upheld Unocal management's use of a selective issuer self-tender as lawful under Delaware State corporate law. The SEC's proposed "all holders" rule would make such a maneuver illegal in future takeover contests.

Mr. President, I believe that if the Federal Government is to take the extraordinary step of modifying State corporate law, it should be by Congress, not the SEC. The SEC's role in takeover battles traditionally has been limited to regulation of disclosure, and States have been left free to regulate specific offensive and defensive tactics as they see fit.

● Mr. RUDMAN. Mr. President, Congress, however, has taken action in the tender offer area before. For example, so-called golden parachute contracts have been limited by Federal statute.

● Mr. SPECTER. That is true, and that was perfectly appropriate. I certainly do not mean to say that Federal regulation in the takeover area is inappropriate. To the contrary, I strongly believe that comprehensive reforms are needed in this area, where we have seen such a proliferation of questionable tactics, both offensive and defensive. But I believe such reforms should come from Congress, not the SEC.

The amendment that I have discussed with my colleagues on the Appropriations Committee would prohibit the SEC from expending any of the

funds from this act to implement its all holders rule.

● Mr. RUDMAN. Mr. President, my understanding is that the Senator does not intend to offer such an amendment to this bill.

● Mr. SPECTER. That is correct. I am extremely concerned about this situation, and I know that many of my colleagues are equally concerned, but I do not feel it is an issue which should be decided as part of the appropriations process, where it cannot receive the full consideration it requires. I merely want to indicate my very serious concerns, and my intention of pursuing the matter in the proper authorizing committee.

● Mr. D'AMATO. While I do not necessarily agree with my colleague from Pennsylvania on the merits of this issue, I do agree that it is an important one, which deserves our consideration. In the past, the SEC has promulgated rules that govern the tender offer process and I do not question their authority to do so in this area. However, I can assure him that the Banking Committee's Subcommittee on Securities, which I chair, will devote attention to the "all holders" rule.●

CLAIRTON AND OTHER CITIES

Mr. SPECTER. Mr. President, the Senate Appropriations Committee report accompanying H.R. 2965 identifies $15.5 million for title IX sudden and severe economic dislocation grants through the Economic Development Administration. Although the recommended funding level for the Economic Development Administration is well below that for fiscal 1985, I was pleased the committee has decided to maintain this program at only a slightly lower level than current appropriations. This is of particular importance to me given the problems being faced by Clairton, PA, and other cities in Pennsylvania. Clairton's situation is illustrative of problems faced by many Pennsylvania cities. Clairton's economy has long revolved around the steel industry. With the decline of steel, tax assessments of steel production facilities in Clairton have fallen precipitously. Along with the decline of the industry have come lowered county assessments on homes and businesses, reduced employment, and an aging population. In 1960, Clairton's population was 18,389. By 1980, the population had declined to 12,188, for a loss of 33.7 percent. A further 6-percent loss is projected by the year 2000. And in 1980, 17.2 percent of the population was over 65 years old. The decline in the city's ratables has produced a fiscal crisis of the first order, to the extent that health and safety are now endangered. The city of Clairton is projecting a deficit of $600,000 by year end, or nearly one-third of the city's $3.2 million budget. As of September 10, 1985, there was only $3,000 remaining in the city's bank account, which was not enough to pay its 13 police officers and 10 firefighters. State police and volunteer firefighters now constitute the city's sole safety forces.

It is obvious that Clairton meets the sudden and severe economic dislocation program eligibility requirements. I believe Clairton should receive assistance from this program to ameliorate its fiscal crisis. A number of cities in Pennsylvania, such as Aliquippa, Homestead, West Homestead, Duquesne, Dravosburg and others have similar problems. I believe that $1, million from the program should be used in this hard-hit area to ameliorate the fiscal crisis of these cities. Accordingly, I would ask the acting chairman to join me in urging EDA to come forward with a plan for addressing the problems faced by these cities and similarly situated cities in this area depressed by problems in the steel industry.

Mr. RUDMAN. Mr. President, clearly the problems being experienced by the cities identified by the Senator from Pennsylvania are a good example of the need for EDA's sudden and severe economic dislocation program. I strongly urge the Economic Development Administration to give every possible consideration to providing a grants to those cities for $1 million at the earliest possible date. And I believe that coming up with a plan of the kind you suggest would be a very constructive step.

Mr. SPECTER. Mr. President, I thank the acting chairman of the subcommittee for his courtesy and cooperation.

Mr. ARMSTRONG. Mr. President, will the acting chairman of the subcommittee, the distinguished Senator from New Hampshire, yield for a colloquy?

Mr. RUDMAN. I would be pleased to yield to the Senator from Colorado.

Mr. ARMSTRONG. The Senate Appropriations Committee report accompanying H.R. 2965 directs the National Oceanic and Atmospheric Administration to provide $2,250,000 for State weather modification activities, including grants to the State of North Dakota, Illinois, Nevada, and Utah. The State of Colorado has been involved in similar efforts in the past few years, and has recently indicated an interest in joining the existing four States in the program.

Mr. HART. Will the Senator yield on that point?

Mr. ARMSTRONG. Certainly, Mr. President.

Mr. HART. I have also been aware of Colorado's continuing efforts in weather modification research. Such research offers important opportunities for understanding and possibly controlling adverse weather patterns in Colorado and throughout the West. Is it my colleague's understanding that Colorado would like sufficient funds in 1986 to begin planning its full partnership in the program in 1987 and beyond?

Mr. ARMSTRONG. Mr. President, that is my understanding. However, Senator HART and I are well aware of the tight budget constraints faced by the acting chairman of the subcommittee, the Senator from New Hampshire. Therefore, we would propose that the National Oceanic and Atmospheric Administration make available up to $100,000 from available funds to allow Colorado to begin planning its participation in the State weather modification program. Would such a proposal be acceptable to the Senator from New Hampshire?

Mr. RUDMAN. Mr. President, I deeply appreciate the understanding of the Senators from Colorado. It would be acceptable to me if the National Oceanic and Atmospheric Administration were to make up to $100,000 available to Colorado for program planning purposes, assuming the State submits a grant application detailing the proposed use of the funds.

Mr. HART. Is it the acting chairman's intention that this grant be derived from the funds appropriated for the State weather modification program?

Mr. RUDMAN. Mr. President, I believe it is only fair that we not penalize other programs of the National Oceanic and Atmospheric Administration in order to accommodate this enhancement. The Appropriations Committee is recommending $2,250,000 for State weather modification grants, and it is my intention that Colorado's planning grant be derived from these funds. It is also my intention to attempt to clarify this issue in conference with the House. In that regard, I cannot guarantee the House will find this proposal acceptable; however, I will attempt to persuade them of its wisdom.

Mr. ARMSTRONG. Mr. President, Senator HART and I would like to thank the Senator from New Hampshire for his gracious accommodation of our request.

Mr. WILSON. Mr. President, I am pleased to see that the committee has recommended a guaranteed loan program level of $150 million for the Economic Development Administration in fiscal year 1986. It is my understanding that the committee intends that these funds be used to leverage private sector investments to promote successful development of labor intensive industry, to reduce dependency upon social welfare programs, to encourage self-reliance through economic development, and to generate new tax revenues.

Mr. CRANSTON. I join my colleague in calling attention to the funding for the EDA Guaranteed Loan

Program. In the past this EDA Program has successfully stimulated private sector investment in areas hard hit by unemployment due to plant closures and layoffs in the heavy manufacturing industries.

Mr. WILSON. I would like to pinpoint a perfect example of what my colleague refers to—the shutdown of the General Motors assembly plant in the city of South Gate which has driven the unemployment rate up to as high as 26 percent in the surrounding communities. Through the use of an EDA guaranteed loan, EDA has the opportunity to assist in the acquisition and infrastructure development of this site.

Mr. CRANSTON. It is my understanding that with EDA assistance, this project would stimulate in excess of $80 million in private investment and would generate more than 6,000 permanent jobs over the next 5 years.

Mr. WILSON. In all, I believe that such possibilities are well within the intended scope of the program as recommended by the committee.

Mr. RUDMAN. Based upon the description of this project, I believe that it falls within the legislative scope intended for the EDA Guaranteed Loan Program, and I think the EDA ought to take it under serious consideration when the occasion arises. I appreciate the Senator calling it to my attention today as we take up H.R. 2965 and its accompanying Report 99-150. I know I can count on his strong support for its passage.

● Mr. GORTON. Mr. President, I want to thank the managers of the bill for their time and energy in responding to my concerns. Their help on issues of importance to the State of Washington are greatly appreciated.

I am concerned specifically about the Fishing Gear Reduction Program, commonly referred to as the Vessel Buy-Back Program. As my colleagues know, this program was intitiated in response to Federal court decisions granting Washington State Indian Tribes treaty rights to half of all the salmon in the State. This program was designed to: First, mitigate the severe dislocation created by the court decisions; and second, reduce the non-Indian fishing effort by one-third.

The Vessel Buy-Back Program was authorized for a 5-year period when it was enacted with the Salmon and Steelhead Conservation and Enhancement Act (Public Law 96-561). The total 5-year authorization was $37.5 million. The House included $2.5 million for the program in its fiscal year 1986 appropriation bill. It is my hope that when H.R. 2965 is considered in conference, the committee will recede to the $2.5 million provided for in the House bill. This program expires in fiscal year 1986, and this, therefore, will conclude the need for future appropriation requests.

● Mr. RUDMAN. I thank the Senator for his excellent explanation of the Vessel Buy-Back Program. I appreciate his concerns. While I cannot give an absolute commitment that we will recede to the House language in conference, I can offer assurances that I will look favorably on the request made by the Senator from Washington and do my best to accommodate him.

● Mr. GORTON. Again, I thank the chairman and committee members for their attention on this matter of great importance to Washington State.●

THE COASTAL MARINE MAMMAL PROGRAM

● Mr. WILSON. Mr. President, as this Chamber considers the appropriation of funds for the National Marine Fisheries Service, I would like to draw attention to the valuable efforts of the Service's Coastal Marine Mammal Program in determining the potential damage of gill net fishing off the California coast. For those of my colleagues who are unfamiliar with the practice of gill netting, I should explain that it is a fishing technique employed by commercial fishermen in which fish that swim into the net are entangled in effort to swim out.

The problem with this technique is that what works for the fish also works to capture and kill endangered species. Large numbers of birds and marine mammals are accidentally drowned annually by becoming entangled in gill nets. Endangered gray whales, sea otters, sea lions, and rare harbor porpoises are among the species that are affected by gill netting, and there is additional concern that a variety of fish stocks—both target and nontarget species—may be depleted by the use of gill nets.

Through its studies, the Coastal Marine Mammal Program has and will continue to provide important information on the threat of gill netting. This is critical information that is needed to design a fishery program that will, to the fullest extent possible, mitigate the damages to the affected species. This program is administered jointly by the southwest center and southwest region of the National Marine Fisheries Service and by the California Department of Fish and Game.

It is imperative that sufficient operating funds be made available to the southwest center to continue the Coastal Marine Mammal Program. These funds should be used to study possible mitigation of marine mammal impact on fisheries, incidental take of marine mammals in gill and trammel net fisheries, harbor seal and harbor porpoise population surveys, and elephant seal population dynamics.

It is my understanding that it is the intention of the Subcommittee on State, Commerce and Justice that $190,000 in operating funds be targeted for these kinds of studies by the southwest center of the National Marine Fisheries Service in the Coastal Marine Mammal Program.

Mr. President, I ask the Senator. Do we agree that this is the intention of the committee?

● Mr. RUDMAN. My friend from California is correct and the intention of the committee is exactly as he has stated it.●

MONK SEAL FUNDING

Mr. INOUYE. Mr. President, I would like to address the funding for endangered species conservation included in the NOAA portion of the appropriations bill. Funding for Hawaiian monk seal research is included in this account and funded annually at $325,000. I noticed, however, that in the committee report on the bill, no specific reference is made to monk seal research. Is it the chairman's understanding that the committee has included in the endangered species line item level funding—$325,000—for this program?

Mr. RUDMAN. I thank my colleague for raising this matter. It is indeed the committee's intention that $325,000 be spent for monk seal research from the total funding for the endangered species conservation line item.

Mr. DANFORTH. Mr. President, I request clarification of page 15 of the Appropriations Committee's report relating to funds for the National Oceanic and Atmospheric Administration's research on bowhead whales. A portion of that text discusses the law controlling the Alaska Eskimo bowhead whale hunt.

As chairman of the Commerce Committee with jurisdiction of both the Marine Mammal Protection Act and the Whaling Convention Act, I note that the cooperative agreement between the National Oceanic and Atmospheric Administration and the Alaska Eskimo Whaling Commission, as well as the regulations governing bowhead whaling, cite both statutes for authority. I would, therefore, be grateful if the acting chairman of the Appropriations Subcommittee would assure me that the language on page 15 is not intended to be construed as in any way influencing the determination of the law applicable to bowhead whaling.

Mr. RUDMAN. Mr. President, I am pleased to give the Senator from Missouri the assurance he has requested.

Mr. BINGAMAN. Mr. President, I wish to again bring to the Senate's attention a matter of continuing concern to New Mexico and other States where American Indian art is produced and sold.

Last year I requested that the Department of Commerce initiate a study to determine the extent of the import, export, and sale of imitation American Indian-style jewelry. In coordination with the U.S. Customs

Service and the Federal Trade Commission, the Commerce Department completed its report and submitted it to the Congress this past summer. I wish to thank the distinguished acting chairman for his help and support in getting this accomplished.

Mr. RUDMAN. I am pleased to have been of assistance.

Mr. BINGAMAN. Although we have not solved the counterfeit problem I believe we have a better idea of how to approach this matter, and certainly the Commerce Department's study provides some guidance.

The Commerce Department report found that unmarked counterfeit Indian jewelry siphons an estimated $40-$80 million from the $400-$800 million generated annually by genuine articles produced by native craftsman.

Several remedies were specified by the Department, such as: stricter enforcement of the Federal Trade Commission Act; the preparation of consumer pamphlets on Indian jewelry by the Federal Trade Commission; the use of trademarks and design patents; the enforcement of the criminal statutes for misrepresentation of goods; and a ruling from the U.S. Customs Service to require permanent country of origin marking on imported American Indian-style goods. These are positive steps, but they may not be enough to solve the problem.

Mr. HOLLINGS. Mr. President, what does the Senator from New Mexico see as the next step Congress should take?

Mr. BINGAMAN. Unfortunately, this is not a problem that will simply go away. Further attention is needed to stay abreast of the situation. As a result, I would ask that the chairman of the Commerce, Justice, State, and the Judiciary Subcommittee and the ranking minority member join with me in writing to the three Federal agencies involved in the initial study—the Department of Commerce, the Treasury Department, and the Federal Trade Commission—and urge their vigorous enforcement of the available remedies. Further, I would like to ask the agencies for a follow-up report detailing the success of these remedies to better determine what future action may be necessary. The Commerce Department observed that no additional Federal legislation is needed at this time and I believe that the agencies need an opportunity to address this issue. For example, the U.S. Customs Service has received a ruling request from the American Indian Craftsmen and Dealers Coalition to require permanent labeling of imported Indian-style jewelry and arts and crafts.

I am informed that the Customs Service is now studying this request and I understand that it will soon be making a final decision. I certainly urge that the ruling be completed as soon as possible and that it require permanent labeling.

Mr. RUDMAN. I would be pleased to join the Senator from New Mexico in his request to write the Commerce Department and other agencies involved in the counterfeit Indian jewelry problem. Also, a follow-up report would be beneficial to the Senate to see whether we are making progress and I too am hopeful a ruling request will soon be forthcoming.

Mr. HOLLINGS. I would be pleased to join the Senator from New Mexico and the chairman.

Mr. BINGAMAN. I would like to thank both distinguished Senators for their support on this. Thank you, Mr. President.

Mr. HUMPHREY. Mr. President, the human rights situation in Afghanistan today is deplorable and shows no signs of improving. Violations of human rights have been widely documented by many visitors to that troubled nation. Despite international condemnation for their murderous policies in Afghanistan, the Soviets have pursued a "business as usual" approach. The frightening and disturbing reality, however, is that this has gone largely unnoticed by the vast majority of the world. This is no accident. The Soviet Union has succeeded in bringing down a dark curtain which masks their barbarities from the rest of the world. The story of the Afghan people must be conveyed to the world at every opportune moment. Yet the Soviet Union has employed every tactic possible to conceal this story from the rest of the world. Soviet Ambassador to Pakistan Vitaly Smirnov has gone so far as to warn journalists: "stop trying to penetrate Afghanistan with the so-called mujahedin. From now on, the bandits and the so-called journalists—French, American, British, and others—accompanying them will be killed." The Soviets have followed through with their threats as we saw with the brutal murder of American journalist Charles Thornton last month. Mr. Chairman, would you agree, that given this state of affairs, it is imperative that the United States should exploit every opportunity to shine light on these Soviet barbarities.

Mr. RUDMAN. Yes; I would agree that it is unfortunate that the Soviets have so ardently concealed this war from the rest of the world and I believe that this Nation must devote greater attention to the Afghan tragedy.

Mr. HUMPHREY. Mr. President, the U.S. Information Agency is charged with the dissemination abroad of information about the United States, its people, and its policies, through press, publications, radio, motion pictures, and other information media. Therefore, I believe that USIA has unique expertise in disseminating information about the enormity of the crisis in Afghanistan in terms of the enormous number of casualties, human rights violations, and the refugee population. However, given the fact that the Soviet Union is engaged in the systematic destruction of the Afghan people, I believe that there is much more that USIA can do to help the Afghans spread their story throughout the world. Would the Senator agree that USIA should devote more time and resources to the Afghan issue.

Mr. RUDMAN. I would agree that the USIA should devote more resources to the Afghan issue.

Mr. HUMPHREY. Mr. President, due to the structure of USIA, and due to the manner in which specific issues are handled within the overall USIA Program guidelines, it is very difficult to determine the amount spent on the specific issue of Afghanistan. In light of the fact that we believe that more emphasis should be placed upon the Afghan issue within USIA, I believe that the Senate should request a written statement by USIA Director Charles Wick which outlines specifically past efforts of USIA on the Afghan issue and planned activities for fiscal year 1986 in this regard. I also believe that the report by the Director should outline total expenditures on Afghan related projects in fiscal year 1985 and fiscal year 1986. I believe that it is not unreasonable for the Senate to expect such a report within 45 days of enactment of this legislation.

Mr. RUDMAN. I agree that it is not unreasonable for the Senator to be informed directly by the Director of USIA on USIA's activities on Afghanistan as you have described.

Mr. HUMPHREY. I hope that the Senator would be amenable to the consideration of such an earmark of USIA funding if it can be determined that USIA should devote additional attention to the Afghan issue. I thank the Senator for his attention to this important matter and I look forward to closely reviewing the Director's report to the Senate.

Mr. EVANS. Mr. President, the Senate Foreign Relations Committee unanimously accepted an amendment to earmark $750,000 for fiscal year 1986 and $750,000 for fiscal year 1987 for the World Commission on Environment and Development. The committee authorized this earmark with the understanding that it be taken out of the total authorization for international organizations and conferences in the Department of State. This provision was accepted by the conference committee on H.R. 2068 and has been signed into law by the President.

The exact language reads:

SEC. 107. World Commission on Environment and Development.

Of the amounts authorized to be appropriated for "International Organizations and Conferences" by section 101(2), $750,000 for each of the fiscal years 1986 and 1987 shall be available only for a voluntary contribution to the World Commission on Environment and Development.

This language does not give the Department of State any choice: $750,000 must be used as the U.S. contribution to the World Commission. This is my reading of the authorizing language. This is the reading of the authorizing committee, the Foreign Relations Committee. And yet, for reasons that have yet to be adequately explained, the Department of State believes it can ignore congressional direction and, in this case, the law.

The Department of State will soon come before the Foreign Relations Committee requesting a multimillion dollar authorization to improve embassy security. I certainly support all efforts to improve the security of our overseas installations but I must wonder why the Department finds it necessary to seek the Foreign Relations Committee's approval in that case and chooses to ignore the committee's and Congress' direction in other cases.

I would ask my friend and colleague, the able chairman, for his view of this matter.

Mr. RUDMAN. The Senator from Washington is correct. The authorizing language does not leave the Department of State any choice. These funds must be used as the U.S. contribution to the World Commission on Environment and Development. It is also my belief that additional language in this appropriations bill will not strengthen the requirement already set in law.

I certainly expect the Department of State to comply with the law. I would remind the Department of State, as the Senator from Washington has already noted, this is not the last time we will consider fiscal year 1986 funding for the Department.

Mr. DOMENICI. Mr. President, I support the Commerce, Justice, State, and the Judiciary appropriation bill as reported by the committee.

I would like to commend my distinguished colleague, the Senator from New Hampshire, for the fine work he has done to bring this bill to the floor.

H.R. 2965, provides $11.9 billion in budget authority and $9.7 billion in outlays for the Departments of Commerce, Justice, and State, as well as the Judiciary. The bill also funds related agencies such as the Small Business Administration, the U.S. Information Agency, and the Legal Services Corporation.

Taking into account outlays from prior-year budget authority and other adjustments the Commerce, Justice, State subcommittee is below its section 302(b) allocation by $0.1 billion in budget authority and over by $0.1 billion in outlays.

Mr. President, I support the bill despite this overage in outlays because it is within $50 million of the total assumed in the budget resolution. It comes that close because of an amendment, adopted during full committee markup, reducing appropriations by $68 million.

I commend members of the subcommittee for taking a second look at this bill and finding ways to reduce spending even further.

Let me remind the Senate that the bill, as reported, already exceeds the subcommittee's 302(b) allocation for outlays under the budget resolution. I therefore urge my colleagues to reject any amendment that would increase the outlay total for this bill.

Mr. President, I ask unanimous consent that two tables showing the relationship of the reported bill to the congressional budget, the House-passed bill, the President's budget request, and a summary of total appropriations action to date, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMERCE, JUSTICE, STATE SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[In billions of dollars]

	Fiscal year 1986—	
	Budget authority	Outlays
Outlays from prior-year budget authority and other actions completed	(1)	2.6
H.R. 2965, as reported in the Senate	11.9	9.7
Adjustment for pending action on reconciliation:		
SBA disaster loans		−.1
Adjustment to conform mandatory programs to budget resolution assumptions	−(1)	−.2
Subcommittee total	11.9	12.0
Subcommittee 302(b) allocation	12.0	11.9
House-passed bill	12.1	12.1
President's request [2]	11.4	11.6
Subcommittee total compared to:		
Subcommittee 302(b) allocation	−.1	+.1
House-passed bill	−.2	−.1
President's request	+.5	+.4

[1] Less than $50 million.
[2] Adjusted to reflect President's actual request for Legal Services Corporation.
Note: Details may not add to totals due to rounding.

STATUS OF APPROPRIATION BILLS IN THE SENATE

[In billions of dollars]

Subcommittee	Appropriations Committee's 302(b) allocation		Adjusted bill totals [1]		Bill compared to crosswalk		Bill status
	Budget authority	Outlays	Budget authority	Outlays	Budget authority [2]	Outlays	
Agriculture	28.2	25.2	28.2	25.2	−(2)	−(2)	Senate-passed.
Commerce, Justice	12.0	11.9	11.9	12.0	−0.1	+0.1	Senate-reported.
Defense	285.5	252.2					Do.
District of Columbia	0.5	0.5	0.5	0.5	+(2)	+(2)	
Energy-Water	15.3	15.6	15.3	15.6	−(2)	−(2)	Conference.
Foreign Ops	15.2	14.7					
HUD-Independent	58.7	61.2	58.7	62.0	+(2)	+.8	Senate-reported.[3]
Interior	8.2	8.9	8.2	9.3	+(2)	+.4	Do.
Labor-HHS	108.0	115.3	108.0	115.3	−(2)	−(2)	Do.
Legislative Branch	1.7	1.7	1.7	1.7	−(2)	−(2)	Senate-passed.
Military Construction	9.0	7.6					
Transportation	10.5	26.6	10.0	26.7	−.5	+.1	Senate-reported.
Treasury, Postal	13.1	13.1	13.1	13.1	−(2)	−(2)	Senate-passed.
Unassigned	1.2	0.4			−1.2	+.4	
Total, Appropriations Committee	567.1	554.1	255.8	281.5	−1.7	+1.8	

[1] In addition to the bill, includes outlays from budget authority enacted in prior years, possible later requirements, adjustments to conform mandatory items to the budget, resolution level, and other adjustments.
[2] Less than $50 million.
[3] Scoring of the Senate-passed HUD/Independent Agencies bill has not been completed as of this time.
Source: Senate Budget Committee Staff.
Note: Details may not add to totals due to rounding.

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

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

Mr. RUDMAN. Mr. President, before we go to third reading, I just want to thank members of the staff on both sides for their extraordinary work during the last number of months getting this bill to the floor.

I do not believe there are further amendments.

I wonder if my friend from South Carolina has anything to say before we go to third reading.

Mr. HOLLINGS. Mr. President, we have only a minute, so I want to say, right to the point, the distinguished Senator from New Hampshire has come right in and taken over from our distinguished chairman, Senator PAUL LAXALT, and in a short time, mastered the bill and done an outstanding job. It is a privilege to work with him. I compliment him particularly and his staff, Rick Spees, John Shank, and Santal Manos and, of course, our good staff, Warren Kane. I thank him very much.

Mr. RUDMAN. Mr. President, let me say to my good friend from South Carolina that working on this committee with Senator HOLLINGS as ranking member is not only a pleasure, but often a delight.

The PRESIDING OFFICER. Are there further amendments to be offered? If there be no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. HOLLINGS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The PRESIDING OFFICER (Mr. LAXALT). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 84, nays 10, as follows:

[Rollcall Vote No. 275 Leg.]

YEAS—84

Abdnor	Garn	McConnell
Andrews	Glenn	Melcher
Armstrong	Goldwater	Metzenbaum
Baucus	Gore	Mitchell
Bingaman	Gorton	Moynihan
Boren	Grassley	Murkowski
Boschwitz	Harkin	Nunn
Bradley	Hart	Packwood
Bumpers	Hatch	Pell
Burdick	Hawkins	Pressler
Byrd	Hecht	Pryor
Chafee	Heinz	Quayle
Chiles	Hollings	Riegle
Cochran	Inouye	Rockefeller
Cohen	Kassebaum	Rudman
Cranston	Kasten	Sarbanes
D'Amato	Kennedy	Sasser
Danforth	Kerry	Simon
Denton	Lautenberg	Simpson
Dixon	Laxalt	Specter
Dodd	Leahy	Stafford
Dole	Levin	Stennis
Domenici	Long	Stevens
Durenberger	Lugar	Thurmond
Eagleton	Mathias	Trible
East	Matsunaga	Warner
Evans	Mattingly	Weicker
Ford	McClure	Wilson

NAYS—10

Exon	Humphrey	Symms
Gramm	Nickles	Zorinsky
Heflin	Proxmire	
Helms	Roth	

NOT VOTING—6

Bentsen	DeConcini	Johnston
Biden	Hatfield	Wallop

So the bill (H.R. 2965), as amended, was passed.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. LAXALT] appointed Mr. RUDMAN, Mr. LAXALT, Mr. STEVENS, Mr. WEICKER, Mr. HATFIELD, Mr. SPECTER, Mr. HOLLINGS, Mr. INOUYE, Mr. BUMPERS, Mr. CHILES, and Mr. LAUTENBERG conferees on the part of the Senate.

Mr. RUDMAN. Mr. President, I express my appreciation to the majority leader and Democratic leader for assisting the subcommittee in getting this bill finally considered and voted on.

Mr. HOLLINGS. Mr. President, I also thank our distinguished minority leader here, along with the majority leader, and appreciate the help they gave us.

Mr. DOLE. Mr. President, if we could have order, I might be able to alert my colleagues what may happen the remainder of the day.

As I understand the pending business—what is the pending business?

AGRICULTURE, FOOD, TRADE, AND CONSERVATION ACT OF 1985

The PRESIDING OFFICER. The Clerk will state the pending business.

The legislative clerk read as follows:

A bill (S. 1714) to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Dole motion to recommit the bill, with instructions to report back forthwith, with Dole Amendment No. 939, dealing with intermediate export credits.

Dole Amendment No. 940 (to Amendment No. 939), of a perfecting nature.

Mr. DOLE. And there is a pending amendment?

AMENDMENT NO. 940

The PRESIDING OFFICER. The pending amendment of the majority leader is No. 940.

Mr. DOLE. Mr. President, it is my hope we can get an expression of interest in this amendment. For that reason I am going to move to table my own amendment and vote against the tabling motion.

I think it is time we find out. It is time the American farmers find out precisely what we have in mind for agriculture this year. We have been up and down this hill dozens of times in the last several months. There is no reason we should not express our views on whether we are willing to support a particular program or whether we just want more time, whether we want to kill a program, whether we want to participate, and I think we need a vote so we can determine where we go from here.

If in fact the motion to recommit is tabled, then that would indicate there is not enough support for this approach. It would mean going back into each program one at a time and taking a look at wheat, cotton, dairy, sugar, peanuts, soybeans, rice, and all the other commodity programs one at a time. It would mean taking a look at payment limitations, reducing the maximum amount with reference to all crops, whether it is wheat, whether it is sugar, or whatever it might be. It would mean taking a look at some cap on loans. Under the present sugar programs you can borrow up to $4 million. That is the loan limit. Should it be that high? Some people do not think so.

Either we are going to get a farm bill or we are not going to get a farm bill. I happen to believe there are a number of us on both sides of the aisle who want a farm bill.

There has always been a bipartisan coalition around here when it came to

agriculture. That may be one reason it is in so much trouble.

But if there is not that coalition, then I think those of us who have an interest in specific commodities should have to fend for ourselves. We have had meetings without any result at all. Everyone is interested in one thing, protecting his own commodity. It is all right to cut the other program but do not touch ours.

Mr. President, I move to table the motion to recommit.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. Mr. President, will the majority leader yield for a question?

Mr. DOLE. It is not debatable.

The PRESIDING OFFICER. No debate is in order.

Mr. BYRD. Mr. President, I will suggest the absence of a quorum. It seems to me the Senator from Nebraska should be at least in a position to speak for a minute or two. We are going to take longer than that for this quorum call.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I ask unanimous consent to withhold the quorum and yield 5 minutes.

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

The Senator from Nebraska.

Mr. EXON. Mr. President, if I understand correctly, the majority leader still has the floor, is that correct?

Mr. DOLE. For 5 minutes to speak.

Mr. EXON. Mr. President, I wish to ask the majority leader if we are anxious to move the farm bill ahead why do we not get right into the farm bill as was reported out by a majority vote of the Agriculture Committee?

I know that the distinguished majority leader is a member of this committee, and he does not like the bill that came out of the committee. I know that the distinguished chairman of the committee does not like that bill.

But is there some reason that we are going through this game playing without going directly to a vote on the bill as it came out of the Agriculture Committee?

Mr. DOLE. Mr. President, I just say we are trying to end the game playing. That is the whole reason for this approach. We have been playing games with the American farmers for 5 or 6 months. We tried to pass a bill in July. We could not do it.

I think either we are going to have a farm bill this year or we are not. I would say to all those who think their commodities are sacred nothing is sacred.

This motion to recommit, I might add, includes a number of the provisions that were available to all of us and a number of provisons to reduce spending. The distinguished Senator from Montana indicated earlier he had a number and we put in nearly every one of those he suggested.

So it is sort of a bipartisan bill in that respect. It saves about $7.6 billion. That may not be the last savings we are able to obtain. There is still sugar and there is the peanut program and there is the dairy program. Everyone else is taking a cut. Others do not want to cooperate.

So my view is we go out and do the best we can.

Mr. EXON. Mr. President, if I may ask a further question, I ask the majority leader once again, Why do we not go to the consideration of the bill that was reported out of the Agriculture Committee? This Senator for one does not agree with the majority leader that there are those of us who are trying to protect only our basic commodities. I think the bill that came out of the Agriculture Committee is a long ways from perfect, but I think it was a generally well-balanced bill, and I think we should face up to the fact that the main reason we are going through this game playing is that there are those on that side of the aisle, particularly, who do not want a 4-year freeze on target prices.

If there is remaining time, I wish to have my colleague from Montana ask a question because I know he is anxious to get involved in this short-term debate.

Mr. DOLE. I would be happy to provide 5 minutes to the Senator from Montana.

Mr. MELCHER. I thank the majority leader.

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

The Senator from Montana.

Mr. MELCHER. Mr. President, I have looked through the 168-page amendment, and I want to just express my judgment on a couple of points. The 1-year-target price freeze is in this package and that is very vigorously opposed by farmers and farm organizations no matter who they are and is really questioned by their creditors, whether they are banks or PCA's. So that is a negative point for the amendment.

The farmers need to express their judgment on this proposal and we have not had, of course, time to do that.

I am advised, however, by the various commodity groups, by their national organizations, that wheat and those commodity groups involving feed grains vigorously oppose the amendment. The same is true of rice and cotton.

Mr. President, while there has been a lot of charges of delaying tactics, we have waited all yesterday afternoon to see what this proposal will be. I do believe the expressions of these commodity groups should be taken rather seriously right now and that we do have some opportunity to get back to them to see whether this kind of a proposal should ever be adopted. The tabling motion, if it fails—which I hope it does not fail. The majority leader is trying to table his own amendment. That is fine with me. It will be an expression of where the votes are, and so we will know that.

If the proposal is going to be adequately debated, we are going to need that feedback. If these national organizations located here in Washington are correct and that they oppose it, then I would suggest there is some big flaws in it. If they can take an instant reading like that and say, "Oh, no, we couldn't go for that," it must have some pretty big flaws. Those commodity organizations live this stuff day in and day out and, in most instances, they seem to represent the prevailing view of the farmers that produce those types of commodities, whatever it is, rice, cotton or feed grains or wheat.

Finally, the savings are in here, and the savings, as I read them, I have no objection to except one, and it is the $2 billion that is saved by having the 1-year target price freeze. There are many other areas in the bill to get that type of savings. The package that I have put together was not the end game. There are more that can be found without wrecking the programs of the various commodities. But that added up to $7.6 billion. The majority leader is correct. He has taken $5.3 billion of those $7.6 billion and put it in his own amendment. He gets the other $2.3 billion by putting in the 1-year target price freeze.

There are possible savings in this bill to add up more than enough to bring it within the budget without doing that. We will have that opportunity to offer those savings under any event. We will have the opportunity on the 4-year target price to offer a corrective amendment on that one feature if it should prevail.

The majority leader has indicated that perhaps there are votes to come on the $50,000 payment limitation, on the honey program, or on the milk program, or what have you. On all of those, those of us who have worked with this bill will stick with the provisions that are in that bill. And the votes to do that will be here on this side, plus whatever is necessary to make a majority on that side.

I thank the majority leader for yielding.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOLE. Mr. President, I ask unanimous consent for 2 additional minutes.

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

Mr. DOLE. Mr. President, this is not a debate, but I appreciate the comments of both Senators. Let me indicate, first of all, that this is an effort worked out with the chairman, with Senators COCHRAN, LUGAR, and HELMS, myself, and a number of our colleagues on this side to sort of bring this matter to a head.

The chairman advised me he had about 5 months of hearings on this proposal, and it has passed the House. It is November 1. We are going to be tied up on reconciliation, the debt ceiling, and a number of other things the next couple of weeks. If we are going to pass a farm bill this year, we have to make some decisions.

All we are doing is offering an amendment. This is all you do when you bring a bill up, I say to my friend from Nebraska. We are not circumventing anything. We are trying to offer an amendment.

I hope those of us who come from farm States would take a look at it. There are some commodities not in this proposal. Some people objected because we did not put sugar in because they would like to see the sugar program changed in some way. Others are objecting because we even thought about putting it in. Peanuts are not in the program. The peanut people do not know what to do. They like what they have because they got more than anybody else. They even got an increase in the committee when everybody else was taking a decrease. So they are pretty happy. They do not want anybody to know about peanuts. "Don't mention peanuts; somebody will find out there are peanuts in the bill."

We have already discovered the peanuts. And we discovered the sugar. It is very costly.

Mr. BRADLEY. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. BRADLEY. The amendment as proposed contains no provision on sugar whatsoever; no change in the loan rate, no change in the transportation subsidy?

Mr. DOLE. No; it is identical to the amendment offered by the distinguished Senator from Indiana, which contained nothing about sugar. It is a 1-year freeze for certain commodities. It is sort of a TOP program, Target Option Program, for wheat. It is a conservation reserve and it is the savings many of us have talked about, Senator MELCHER has talked about, as well as Members on this side.

Mr. BRADLEY. The Wheat Program is different than the amendment offered by Senator LUGAR?

Mr. DOLE. This amendment saves more money.

Mr. BRADLEY. I thank the majority leader.

The PRESIDING OFFICER. The 2 minutes of the leader have expired.

The question is on the motion to table.

Mr. BYRD. Will the majority leader get another minute or so, so that I might ask a question?

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

Mr. BYRD. The question I have is: In light of the fact that we sought on our side of the aisle to be able to offer some amendments to this farm bill, the distinguished majority leader, exercising his right of recognition—and I have no problem with that; that is the way it ought to be—lined up a motion to recommit and amendments thereto, thus shutting out all other Senators from offering amendments, why that was all lined up last night and without any debate on the farm bill today and all of a sudden there is the motion to table this motion to recommit and amendments, I cannot understand that. Why are we not having some debate on the majority leader's amendment?

Mr. DOLE. I say to the distinguished minority leader that we have been debating this for 7 months and most of us from farm States understand it and we are afraid that some of the people from urban States may begin to understand part of it. They are already getting on to the sugar program and the peanut program. They are starting to understand some of it.

But we believe it is time we have a vote. Our farmers have already got their wheat in the ground in my State. I would be willing to debate it, if I could get an up-or-down vote later today. But it seemed to me that we ought to have a test vote to find out today whether this was going to fly. If not, maybe somebody else has a better idea.

But I know Senator MOYNIHAN and Senator HAWKINS have dairy amendments. There are at least 60-some additional amendments. We certainly do not want to preclude other amendments.

But it just seemed to me consideration of this amendment would be a good thing to do.

Mr. BYRD. If the distinguished majority leader will indulge me further, it seems to me that we are being asked to table an amendment we have had no debate on. We started for a while last night to read the amendment, then we called off the reading at my suggestion.

What I cannot understand is why we are moving now to table the majority leader's amendment, which has been in the Senate less than 24 hours. I was told that it is a comprehensive compromise or new farm bill.

I am not from a farm State. So I do not understand the content of the measure as well as do most other Senators, I am sure. But the distinguished majority leader calls his amendment up, will not let others call theirs up, and then overnight decides to table his own amendment.

Mr. DOLE. Mr. President, I want to vote against tabling. If it is not tabled, we will have a lot of time for debate.

Mr. BYRD. Mr. President, is the distinguished majority leader not going to offer other amendments if his pending amendment is tabled?

Mr. DOLE. If this is tabled, I may have another one.

Mr. BYRD. Is this going to be tabled by the distinguished majority leader after a little while?

Mr. DOLE. I hope this is not tabled. There is a lot of work in this. I would like to have it considered. I hope my colleagues on both sides will take a careful look at the amendment. I think it has the makings of a good bipartisan farm bill.

So I hope it is not tabled.

Mr. BYRD. I did not know we were playing games around here until the distinguished majority leader said that that is what we are doing. So I understand that now this is just another play in the game playing.

Mr. DOLE. Well, it is a small one. I have not learned how to play the big ones yet.

Mr. BYRD. I thank the distinguished majority leader.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas to lay on the table the amendment (No. 940) of the Senator from Kansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI] and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

The result was announced—yeas 45, nays 49, as follows:

[Rollcall Vote No. 276 Leg.]

YEAS—45

Baucus	Glenn	Melcher
Bingaman	Gore	Metzenbaum
Boren	Grassley	Mitchell
Bradley	Harkin	Moynihan
Bumpers	Hart	Nickles
Burdick	Heflin	Nunn
Byrd	Hollings	Pell
Chiles	Inouye	Pryor
Danforth	Kennedy	Riegle
Dixon	Kerry	Rockefeller
Dodd	Lautenberg	Sarbanes
Durenberger	Leahy	Sasser
Eagleton	Levin	Simon
Exon	Long	Stennis
Ford	Matsunaga	Zorinsky

NAYS—49

Abdnor	Boschwitz	Cohen
Andrews	Chafee	Cranston
Armstrong	Cochran	D'Amato

Denton	Humphrey	Roth
Dole	Kassebaum	Rudman
Domenici	Kasten	Simpson
East	Laxalt	Specter
Evans	Lugar	Stafford
Garn	Mathias	Stevens
Goldwater	Mattingly	Symms
Gorton	McClure	Thurmond
Gramm	McConnell	Trible
Hatch	Murkowski	Warner
Hawkins	Packwood	Weicker
Hecht	Pressler	Wilson
Heinz	Proxmire	
Helms	Quayle	

NOT VOTING—6

Bentsen	DeConcini	Johnston
Biden	Hatfield	Wallop

So the motion to table amendment No. 940 was rejected.

Mr. DOLE. Mr. President, regular order.

Mr. President, I move to reconsider the vote.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUMPERS. Mr. President, what was the vote?

Mr. DOLE. I moved to reconsider the motion to table.

Mr. BUMPERS. Mr. President, a parliamentary inquiry. The Chair just stated that the motion to lay on the table was agreed to. Is that correct?

Mr. DOLE. The motion to table the motion to reconsider was agreed to.

The PRESIDING OFFICER. Does the Senator from Arkansas understand?

Mr. BUMPERS. Yes, Mr. President.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I am advised that we have now received a message from the House. Is that correct?

The PRESIDING OFFICER. The Senator is not correct.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the quorum call be rescinded.

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

Mr. DOLE. Mr. President, I understand that the conference report has not yet arrived. Is that correct?

The PRESIDING OFFICER. We have a message from the House. The conference report has not appeared.

ROUTINE MORNING BUSINESS

Mr. DOLE. While we are awaiting the conference report, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond 4:30 p.m., with statements therein limited to 5 minutes each, with the exception of the distinguished Senator from South Carolina, who would like 10 minutes.

Mr. MELCHER. Mr. President, reserving the right to object, I only do this, I tell the majority leader, to get some feel as to when we return to the farm bill or when we would expect to return to the farm bill.

Mr. DOLE. As I have indicated, we have a reconciliation matter, we have the debt ceiling, which will come ahead of the farm bill. I hope sometime on Monday.

Mr. MELCHER. I thank the majority leader.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. DOLE. I yield.

Mr. BYRD. We have the House message. Does anyone know where the conference report is? Not too long ago, a conference report walked out of the east door over there. I hope that is not the case today.

Mr. DOLE. I have checked around. We cannot find it on this side, anyway. We have not checked the safe yet.

Mr. BYRD. All right.

SENATOR LUGAR—STRONG HELMSMAN

Mr. BOSCHWITZ. Mr. President, in today's Wall Street Journal my colleagues will find an article on DICK LUGAR, the chairman of the Foreign Relations Committee. The article compliments the chairman on his efforts to bring back to the Foreign Relations Committee to a position of prominence. Rightly so. In this past year, the committee has once again become a place not only where the major foreign policy issues of the day are debated, but where substantive legislation is considered and passed upon.

In the beginning of the year, as the article notes, the committee undertook a series of comprehensive hearings on American foreign policy. Immediately thereafter, the committee turned to its major regular pieces of legislation, the foreign assistance bill and the Senate Department authorization bill. Both of these bills gained broad bipartisan support in the committee, and both ultimately passed the Senate by overwhelming margins.

In addition, the committee has reported out the Genocide Convention; resolved, for the time being at least, the legislative situation with regard to South Africa; and has dealt with other controversial issues like the Jordan arms sale in a manner remarkably free of contention and with great skill

Mr. President, today's Journal article casts considerable light upon the reasons for the chairman's success. It points to his calm, patient, and thoughtful approach to the issues which confront American foreign policy. I commend the article to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article ordered to be printed in the RECORD, as follows:

SENATOR LUGAR IS GAINING NEW PRESTIGE FOR PANEL ON FOREIGN RELATIONS

(By Robert S. Greenberger)

WASHINGTON.—During a recent roast of Sen. Richard Lugar, who is known as a competent but colorless legislator, and old friend served up a one-liner that brought down the house.

"Dick has maintained that childhood capacity of walking into an empty room and blending right in," joked William Ruckelshaus, former administrator of the Environmental Protection Agency. Mr. Ruckelshaus, who has known the Indiana Republican since kindergarten, says, "I used to go over to his house and push him off his swings."

But since becoming the chairman of the Senate Foreign Relations Committee last January, Dick Lugar has been doing the pushing. By finding consensus positions on foreign-policy issues and selling them to the White House, he has restored some of the credibility and clout that the once influential panel lost in recent years.

SOUTH AFRICA AND JORDAN

Some examples of his pushing:

As racial violence grew in South Africa, Mr. Lugar saw the political and diplomatic risks in the Reagan administration's policies toward that country and pressed a reluctant White House to imposed economic sanctions.

He saved the White House from an embarrassing defeat by forging a compromise to delay a showdown on a controversial arms sale to Jordan.

He crafted a bipartisan consensus on a $12.8 billion foreign-aid authorization bill, the first such bill that the committee had been able to clear since 1981.

"Everyone knows he has made the committee more effective," says Sen. Joseph Biden, a liberal Delaware Democrat who is a member of the panel. "He can make judgments and take the committee with him."

As a result, Mr. Lugar and his committee have an unusual opportunity to fill any gaps in the administration's foreign policy. The White House hasn't achieved significant successes in the Middle East following its involvement in Lebanon. It is struggling to find ways to promote orderly change in the Philippines. And its policy in the arms-limitation talks with the Soviet Union has been marked by internal disarray; if an agreement is reached, the committee is expected to play a decisive role in the drive for Senate ratification.

Mr. Lugar is well positioned to strengthen the role of the committee, which has been more liberal than the rest of the Senate for much of the past two decades. A man of the middle and a man of the Senate, he reflects the nation's conservative mood and enjoys the trust of colleagues on the left and the right.

He also has the confidence of the administration. He breakfasts every other week with Secretary of State George Shultz, when their schedules permit, and has long telephone conversations with him nearly every weekend. When the White House decided to impose economic sanctions on South Africa, Mr. Shultz, nattily attired in yellow pants and green golf shirt, sought out Sen. Lugar in his Capitol hideaway office late on a Saturday afternoon to deliver the news.

Mr. Lugar notes that the committee has the respect, too, of the Senate membership. "There is a sense of confidence on the part of members on both sides of the aisle that the committee is thoughtful in what it does," he says. This trust is important because senators often rely on the panel for guidance on many issues they don't have time to master.

"Senators don't want to be mouse-trapped into votes that can be used destructively against them by somebody back home in a campaign," Mr. Lugar explains.

SCOUT AND SCHOLAR

Dick Lugar, a 53-year-old one-time Eagle Scout and Rhodes Scholar, brings considerable energy to his post. After becoming chairman, he set out to meet as many foreign ambassadors to Washington as possible and on some days had "three or four of them stacked up in his office" waiting to see him, an aide says. Last summer he spent the five-week congressional recess pounding out a still-untitled book on foreign policy.

Mr. Lugar contends that most Senate members are ready to follow the panel's lead and that even on minor issues his influence is growing. A few months ago, he recalls, a conservative senator complained at the Republicans' weekly Tuesday luncheon about rumors that a Soviet ship with nuclear weapons was heading toward a Mexican port. The irate senator vowed to introduce a resolution cutting off aid to Mexico if the ship was permitted to dock. Sen. Lugar, understanding that such a resolution would needlessly strain U.S.-Mexican relations, convinced the senator that he would quietly pass the word to the State Department to look into the matter.

"I don't know whether the story was true or not, but I do know that you can't conduct foreign policy on the lam, no matter how strongly you feel," he says.

Sen. Biden says that his Indiana colleague is "a masterful chairman. He's a good strategist for this administration because he's able to keep the committee out of issues the administration doesn't want it involved in." At times, though, Sen. Lugar seems too deferential to the administration and too eager to do its bidding.

For instance, in a bizarre incident on the Senate floor in September, Mr. Lugar tarnished the bipartisan image he had built during his successful effort to persuade the White House to impose economic sanctions on South Africa. To prevent a procedural vote on tougher, congressional sanctions after the White House had imposed its own penalties. Mr. Lugar, at the behest of Sen. Robert Dole, the majority leader, put the official copy of the tough bill in his jacket pocket and left the Senate floor to place it in his safe.

Mr. Lugar says the parliamentary maneuver was borrowed from the Democrats, but his opponents were enraged. "It was an arbitrary act by one senator—a one-person veto," grouses Sen. Alan Cranston, a liberal California Democrat.

LOW EXPECTATIONS

When Mr. Lugar became chairman—after an unsuccessful bid to become Senate majority leader—many panel members had low expectations. Although he had been on the Foreign Relations Committee since 1979, he hadn't played a particularly active role on the panel. Staff aides considered him a rubber stamp for the administration and said he usually was active only on those issues on which the White House asked for his help. When the panel under Sen. Charles Percy, the previous chairman, pushed to attach conditions to aid Turkey, for example, it was Mr. Lugar who was the administration's point man in opposing the plan.

But he soon surprised colleagues with his skill and evenhandedness in balancing the divergent views on the committee. When Sen. Jesse Helms, the ultraconservative North Carolina Republican, objected to language in a genocide treaty that has languished in the Senate for 37 years, Mr. Lugar worked patiently with him and met some of his concerns in a package that passed the panel. The two senators work closely together often; Mr. Lugar is the second-ranking GOP member on the Agriculture Committee, which Mr. Helms heads.

At the same time, Mr. Lugar works well with the Foreign Relations Committee's liberal Democrats. When Sen. John Kerry of Massachusetts, the panel's junior member, pushed an amendment limiting military aid to the Philippines and linking it to that nation's human-rights record, Mr. Lugar listened patiently. The amendment was defeated in committee, but Mr. Lugar honored a pledge to support a Kerry resolution designed to pressure the Philippines into improving its human-rights record and moving toward democracy. The Senate passed the resolution.

BEATING LINDSAY

Throughout his political career the soft-spoken Mr. Lugar has turned to his advantage a general inclination to underestimate him. In 1969, when he was the mayor of Indianapolis, he successfully mounted a surprise challenge to New York's Mayor John Lindsay, the prototype of 1960s charisma, to become the vice president of the National League of Cities. He became its president a year later. In 1982, he edged out the highly respected Sen. Bob Packwood of Oregon to head the National Republican Senatorial Committee, which raises and spends money for GOP senators.

Now he is devoting his energy to reestablishing the Foreign Relations Committee's leadership in shaping a bipartisan foreign policy. The panel's role has diminished since the heady days when Sen. J. William Fulbright, the Arkansas Democrat who ruled it for 15 years, helped turn the nation against the Vietnam War with televised hearings.

After Vietnam—and Mr. Fulbright's defeat in a 1974 primary—other committees nibbled away at the panel's foreign-policy turf. In 1979, when the Senate debated the Salt II treaty (which Mr. Lugar opposed), the Armed Services Committee aggressively moved in to hold hearings, even though the Foreign Relations panel had clear jurisdiction.

The decline in power was accelerated by a succession of Foreign Relations Committee chairmen who lacked Mr. Fulbright's stature. First came two Democrats, John Sparkman of Alabama, a caretaker chairman in the twilight of his career, and Frank Church of Idaho, a liberal whose personality was too abrasive for some colleagues. Then, when Republicans won control of the Senate in 1980, Sen. Percy of Illinois became the panel's chairman. He was perceived as ineffective and weak and was badly distracted by a growing electoral challenge in his home state that eventually led to his defeat.

In the committee's good old days, Mr. Fulbright used to complain that members frequently missed hearings because they were off running for the presidency. John F. Kennedy was the last committee member to win the White House; Eugune McCarthy, Hubert Humphrey, George McGovern and Mr. Percy were panel members who didn't make it. In the last decade, however, the committee lost some of its appeal and some potential new members worried that service on the panel could be a liability because "foreign policy was becoming less of an asset back home and membership on the committee could end up being an electoral albatross," observes Norman Ornstein, an expert on Congress at the American Enterprise Institute.

Last January, in his first major action as chairman, Mr. Lugar convened a set of hearings on American foreign policy. An aide says Mr. Lugar wanted to get the attention of panel members, whose attendance at hearings had been slipping, and also to raise the committee's visibility by signaling that the panel, once again, would become the forum for comprehensive foreign-policy debates. The hearings also reflected Mr. Lugar's view that it was necessary to redefine an American consensus in foreign policy after the turmoil of the Vietnam era.

Although generally serious, Mr. Lugar occasionally shows a glimmer of humor. On the morning that President Reagan changed course because of Senate pressure and announced sanctions against South Africa, Mr. Lugar held a news conference. When asked if the administration had buckled to congressional pressure, he looked at his watch and replied: "No, I think this was an independent action. The Senate isn't due to convene for another hour and a half."

SEPTEMBER TEXTILE AND APPAREL IMPORT FIGURES

Mr. THURMOND. Mr. President; throughout the debate that has surrounded the Textile and Apparel Trade Enforcement Act of 1985, both in the Congress and in the media, a considerable amount of attention has been given to what the administration has done to keep American textile and apparel jobs in America. The administration has boasted that it has made numerous "calls", and negotiated or imposed 300 quotas.

Well, Mr. President, what has happened to the American textile and apparel worker while the administration has worked so hard in their behalf? I'll tell you what has happened. Over 350,000 of them have lost their jobs, their livelihoods, their ability to provide for themselves and their families. That is what has happened over the last 5 years.

Today, Mr. President, I have the sad responsibility of reporting to my colleagues the most recent textile trade figures. September 1985, was the second highest textile import month on record. Total imports of fiber, textiles, and apparel soared to 1,062 million square yard equivalents. Over 1 billion square yards in 1 month. That 1 billion plus square yards is 22 percent above the September 1984, level.

Disturbing to me, Mr. President, is the fact that the 1 billion plus square yards of foreign produced fiber, textiles, and apparel that came into the

United States last month represents 100 thousand lost job opportunities for American workers—workers who desperately need those jobs. I repeat: The textiles and apparel which came to the United States last month alone represent 100,000 lost job opportunities for American workers—workers who desperately need these jobs.

However, the most disturbing thing, is that the September import figures represent a continuation of the recent trends.

The September import figures mean that we can expect 1985 to set a new import record; and why not? 1983 set a record over 1982. 1984 set a record over 1983. Why should 1985 be any different?

It also means that we can expect more textile and apparel operations to cut back on production or close. We can expect to see more workers working short-weeks or being laid off. In short, Mr. President, we can expect to see the further displacement of American workers and the further decline of one of our basic, most important industries. It is for these reasons that we introduced the Textile and Apparel Trade Enforcement Act of 1985. Likewise, it is for these reasons that I will continue to do all that I can to see the bill enacted.

What we are talking about here is jobs—American jobs. That is all there is to it. Are these jobs going to stay in America or be sent abroad? American jobs—that is what the textile bill is all about. That is the bottom line. Without the assistance the textile bill would provide, we will lose a vitally important domestic industry, the 2 million jobs directly dependent upon that industry, and, in addition, the 2 million jobs in related and supporting industries.

Mr. President, as I have said on this floor so many times, the papers in my home State of South Carolina, and in other States, report plant closings and layoffs on an almost daily basis. Just this past Monday, October 28, 1985, an article appearing in the State newspaper was headlined "Abbeville, Greenwood to lose 350 plant jobs." That seems to be a weekly occurrence.

Those towns are hurting, Mr. President. The people who live there are hurting. They cannot understand why this administration has not taken steps to help. They cannot understand why the administration keeps talking about so-called "free trade" when it does not exist. They cannot understand why or how an administration sits idly by while their jobs are being destroyed, while their families are suffering, while their communities are suffering, while their way-of-life is being destroyed. Neither can I, Mr. President.

I hope the administration will soon awaken to the reality of what is going on. If they had done so, the Textile and Apparel Trade Enforcement Act of 1985 might not have been necessary. However, they have not. The bill is necessary. The textile and apparel industry is in a crisis situation.

The largest fabric manufacturer in the Nation—one of the most modern and efficient textile companies in the world—Burlington Industries, just reported a loss for its fourth quarter. They had a loss in the fourth quarter of last year as well. Compared to last year, their total earnings have fallen by 80 percent.

I hope the Members of the Senate will hear this. Burlington Mills, the largest in the Nation, had a loss in the fourth quarter of this year, and compared to last year, their total earnings have fallen by 80 percent.

They are having to close plants. They are having to layoff people who have spent their entire working lives in textiles. These people have no where else to go. This is happening despite the fact that Burlington is one of the most modern, efficient, productive companies in the World.

Mr. President, this simply can not be allowed to continue. It must be stopped. If imports are allowed to continue to flood our domestic markets, we will end up with no domestic textile and apparel industry. We will end up with millions of unemployed workers.

Mr. President, the textile bill is desperately needed. The Senate should pass it immediately, and the President should sign it as soon as it reaches his desk.

Mr. President, I wish to speak further with regard to trade in general in this country as I have just spoken about the textile industry. I wish to say further that the trade deficit now is the highest in history, with $15.5 billion in imports for the month of September alone, which is up 57 percent over August. The largest portion of the deficit was in the manufacturing sector which has lost 340,000 manufacturing jobs this year. I repeat—340,000 American jobs lost this year.

Japan yesterday announced a record trade surplus for the first half of its fiscal year.

Mr. President, I just do not see any sense in the way the administration is handling America's trade policy. Here we are losing more and more jobs. We have already lost 340,000 this year. And what did Japan do? Yesterday they announced a record trade surplus for the first half of the fiscal year. While the Japanese are reporting a record surplus, our Nation is reporting a record deficit.

Mr. President, I think that we need to take action, and the only place I see that we are going to get action is in Congress.

We offered this textile bill as salvation. The textile industry is struggling to survive. We have to do something.

I think American jobs should come first, Mr. President. It is not right to the American people to allow these jobs to continue to go overseas, and that is what they have done.

When the President gave me a commitment on textiles, he said he favored keeping the import growth in line with the domestic growth. What is the import growth—33 percent. What is the domestic growth—3 percent. Because of this ever increasing import growth, the mills are closing and thousands of people in our country are losing their jobs.

I hope that the administration will change its policies and preserve these jobs for our American citizens who deserve the first consideration. Passage of the Textile and Apparel Trade Enforcement Act of 1985 is necessary to prevent the further displacement of American workers and the further decline of one of our basic, most important industries.

CASE OF THE SOVIET SEAMAN, MYROSLAV MEDVID

Mr. HUMPHREY. Mr. President, the Senator from New Hampshire has been desperately seeking to convince the administration to reopen the case of the Soviet seaman, Myroslav Medvid, who is about to be Shanghaied out of this country, no doubt to his death.

In that context, Mr. President, I want to read into the record a document which has become available just within the last few hours relative to this case. It is an affidavit from Mrs. Irene Padoch, who was the first interpreter retained by the Immigration Service to interview Seaman Medvid.

What is contained in this affidavit contradicts the statement of the Immigration Service. It contradicts the statement that Mr. Medvid did not ask for political asylum in this country.

The following is a verbatim reading of the affidavit:

AFFIDAVIT

The affiant, first being duly sworn, deposes on oath and states as follows:

1. I am of sound mind and lawful age and make this affidavit of my own free will.

2. I reside at 71 East 7th Street, New York, New York 10003.

3. I am employed on a contract basis as a certified English-Ukrainian-Polish interpreter by the Immigration and Naturalization Service, U.S. Department of Justice.

4. On or about 11:45 p.m. on the evening of Thursday, October 25, 1985, I received a telephone call from an INS officer in Louisiana. He informed me that he was holding an individual who needed a Ukrainian interperter.

I asked the as yet unidentified individual whether he heard me. He said yes, I hear you beautifully. He said, you have to come to me here immediately. I replied, I am too far, I am in New York.

I asked all the questions asked by the INS officer. We started with name, and he answered Myroslav Vasiliovych. I asked his

family name and he replied, Medvid, like the animal. [Medvid in Ukrainian means bear.] His father is Vasyl Medvid, his mother, Anna Lakhovsky Medvid stated if I could not understand, he could speak in Polish, because his mother was of Polish ancestry. The conversation continued in Ukrainian, by agreement.

He stated he was from Lviv oblast (region), Ukraine. He stated he was from the Sokal region, village of Silets. He was there. His father lives in that village and he was born there as well.

There were no questions asked regarding his education. I had difficulty hearing the INS officer, who appeared to be on a second phone. I had to repeat various questions and answers several times on numerous occasions. The conversation took a long time, about one hour.

I had no difficulty in hearing and understanding Medvid. I asked him before each question whether he heard and understood me. He replied affirmatively each and every time.

He was asked how long he had been on shore. Medvid could not tell. He suggested 4-6 hours, and added, that the official should know, unless he can't see that I (Medvid) am still wet.

He stated he did not see any Immigration officials board the ship and said the ship was standing in line. He said he did not see any inspection.

He said he jumped because he wanted to live in an honest country. In response to the question regarding the particular reason for jumping, Medvid responded there were many reasons which could not be told in a short time. The INS officer tried to get some more particulars, but the response was the same: a lot of reasons.

The INS officer became impatient and asked me to ask whether he wanted political asylum, because he could keep him here only under those circumstances. I asked him that and he unhesitatingly responded "yes."

The INS officer asked again and the response was the same.

Medvid stated he was very much afraid and wanted to know what would happen to him. The INS officer told me to calm him down and no harm would come to him. Medvid would be arrested and he would stay that way until the next morning when INS would call me again.

I told the officer that I would be leaving New York next afternoon.

Medvid protested his arrest; said he did nothing wrong and was never arrested in his life.

The officer said he would call again the next day. He did not call, despite my waiting. I did not leave New York until Saturday morning.

I gave a 5-page statement under oath to INS investigators who came to my summer house on Sunday morning, before 6:00 a.m., on October 27, 1985.

One of the agents told me that "somebody goofed and that he should jump into the Mississippi himself."

Further affiant sayeth not.

That is a sworn affidavit by Mrs. Irene Padoch, the first interpreter to interview Seaman Medvid at the request of INS. Despite the assertion of the INS that Mr. Medvid did not request asylum at that point, it is perfectly clear from this sworn affidavit that he did in fact request asylum.

It is outrageous, Mr. President, the shameful way in which this matter has been handled. A human life is in dire jeopardy and our national honor is disgraced. There is but one honorable solution and that is for the administration to reopen this matter using the same statutory authority it used in the first place to remove the seaman from the ship and this time to give him sufficient days of rest to permit any drugs which may be in his body to be removed and to permit this unfortunate young man a chance to gather his wits about him and to make a fateful decision about the balance of his life.

Mr. SIMON. Will the Senator yield?

Mr. HUMPHREY. I shall be happy to yield.

Mr. SIMON. Mr. President, I have been one of those who, for a long time, has been saying we ought to have improved relations with the Soviet Union. I am one of those who welcomes the summit. But my fear is, and I guess the fear of the Senator from New Hampshire, that because of the summit coming up right now we do not want to do anything that might embarrass us or embarrass the relationship. The reality is if we are to have improved relations, we have to be open with each other, we have to be candid with each other. And our stand in the area of human rights is a very different stand from that of the Soviet Union.

I do not know that I would agree with the Senator from New Hampshire that this person faces death when he goes back there, but I think he faces a grim future at the very least. I feel very uncomfortable with the way our Nation has handled this matter. Certainly, if the statement of the interpreter is correct, and I have no reason to believe that it is not correct, it has been very badly mishandled.

I hope that the administration would listen to my colleague from New Hampshire and that somehow we can diplomatically, tactfully, but firmly, say somehow, this seaman has to have a little bit of chance. At least for a few weeks, let us let him stay here and see what the situation is. I do not know what the full situation is. I have discussed briefly tonight with the chairman of the Immigration Committee's Refugee Subcommittee, Mr. SIMPSON, the possibility of our subcommittee doing something. But clearly, something ought to be done quickly by the administration.

I join my colleague from New Hampshire in urging that the administration, in some way—I do not know what it is. I do not want to embarrass ourselves diplomatically nor does the Senator from New Hampshire. But in some kind of a gesture of good will, we should try to make, we should try to seal the fate of this seaman who has shown unusual courage. I thank my colleague from New Hampshire.

Mr. HUMPHREY. Mr. President, I thank the Senator from Illinois. On a few points it is clear that we broadly agree, at least that this matter deserves examination. It is true that there is fear of appearing belligerent or troublesome in advance of the summit. That can be finessed, I think. Perhaps as I have suggested to President Reagan, Mr. Medvid could be turned over to a neutral country such as Switzerland so there can be no appearance of trying to embarrass the Soviet Union. That ought to be seen as reasonable by both sides.

In any event, it seems to me we have an obligation to which we are bound by honor and decency to open this case for further and more thorough examination, which would give this unfortunate man a real chance. I understand the man is exhausted. I understand he is injured. He may well have been drugged. The poor fellow needs a week at least to make a reasonable and prudent decision about what he wants to do.

Mr. SIMON. Would the Senator yield?

Mr. HUMPHREY. Certainly.

Mr. SIMON. I commend my colleague. I think the suggestion he has just made that Mr. Medvid be turned over to a neutral nation—Switerland, Sweden, or some nation like that—would clearly not embarrass us diplomatically. The decision does not need to be made until next week, or we could wait a month. But it is a way of saying we are not just going out and luring people away, which I am sure is how Pravda is going to be portraying things. The gentleman could be turned over to a neutral nation, people in another country can make that decision. I think that really makes sense.

The United States and the Soviet Union could even agree on what nation should do it. I think the Senator has made an excellent suggestion. I hope those in the administration who monitor what is going on here, if anybody does monitor what is going on here, will heed the call of the Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I appreciate the remarks of the Senator from Illinois. I urge my colleagues who may be listening over the intercom to phone the White House, phone Don Regan, phone Ed Meese. Unfortunately, we are racing the clock. The ship moved up river this afternoon from Belle Chasse to a place I am told called Reserve, where the Soviet ship began taking on its cargo. It takes 36 hours once it is commenced, I am told. So the clock is running out. We cannot afford to waste this weekend.

I simply urge my colleagues to call the White House and beg, as I have, that this case be reopened.

Mr. President, I suggest the absence of a quorum.

DOLE AMENDMENT 940 TO FARM BILL

Mr. DURENBERGER. Mr. President, I rise in opposition to the amendment offered by my good friend, the distinguished majority leader. I do so reluctantly, as I have great faith and confidence in the Senator from Kansas' ability to fashion a farm compromise acceptable to midwestern farmers. Unfortunately, this compromise does not maintain farm income at its current level, is not acceptable to the Minnesota farmers I have spoken with, and ought to be rejected by the Senate.

Under the Dole amendment target prices for the 1986 crop of corn and feed grains would be frozen at their 1985 level, after which they would be reduced by 5 percent in 1987, 1988, and 1989. For Minnesota corn producers, who will harvest 750 million bushels this fall, those 5-percent cuts will result in a cut in farm income of $112 million in 1987, $217 million in 1988, $315 million in 1989, and $412 million in 1990. And if you add it up, Minnesota corn growers could expect $1 billion less in income over the next 5 years under the Dole amendment, than they would under the committee bill. So, while a 5-percent cut in target prices may sound like a reasonable reduction, it represents an unconscionable attack on one of the most important sources of farm income for Minnesota's struggling farmers.

Mr. President, the Dole amendment also creates the possibility of a fairly significant cut in planted acres, a move which many feel is counterproductive to the market-oriented thrust of this legislation. While the end of all acreage reduction programs in 1989 may seem to offset those cutbacks, the reality is that a large, upfront land retirement program could create an incentive to bring additional land into production in the Southern Hemisphere. And once that land is brought into production, this Nation's farmers might as well reconcile themselves to ever larger, income-reducing, acreage-reduction programs in the years ahead.

In the final analysis, Members of this body have to decide what they want a farm bill to do. Those who support this amendment are telling America's farmers that they believe cutting spending is more important than preventing farm income from falling below its currently depressed level. Well, this Senator has spent a lot of time in rural Minnesota, and has come to the conclusion that amendments like this one ought to be rejected. So I will vote against this amendment. I hope a majority of the Members of this body will join me. Because our hardworking farmers deserve better.

THE BALANCED BUDGET BILL

Mr. KENNEDY. Mr. President, the House has sent us a strong and thoughtful balanced budget bill, and it deserves our support in the Senate. Building from the Gramm-Rudman-Hollings deficit control act, the House has made important changes while retaining the fundamental commitment to swift and certain action to bring the Federal budget into balance.

Each of the modifications by the House serves to strengthen the crucial deficit reduction process, while maintaining the Nation's commitment to those who need our help the most.

The measure before us ensures that we will begin the process of deficit reduction sooner—and reduce the deficit more rapidly if economic growth is sustained. The deficit is a problem that must be addressed today, and it will only worsen if we wait for the next election.

The House proposal takes specific steps to protect a small, carefully chosen number of vital programs. The Senate had already agreed that our fundamental obligation to our senior citizens should not be breached. The measure before us extends that essential protection to the young, the poor, and the ill.

Other modifications improve our ability to respond to changing economic conditions and strengthen the budget process.

The House has taken an important measure—one which I supported in the Senate—and improved it with many of the safeguards we sought to add in the Senate debate.

The Senate has an opportunity now to cast a historic vote, a vote for fiscal responsibility and for fundamental fairness. We should do so enthusiastically—and unanimously.

ELECTION OF HAWAII'S BISHOP EDMOND LEE BROWNING AS PRESIDING BISHOP OF THE EPISCOPAL CHURCH OF THE UNITED STATES

Mr. MATSUNAGA. Mr. President, I take this opportunity to bring to the attention of my colleagues the elevation of a dear friend to a post of national leadership. As an Episcopalian and, as you are well aware, from the State of Hawaii, I am doubly proud to note that Hawaii's own Bishop Edmond Lee Browning has recently been elected to be the 24th presiding bishop of the Episcopal Church of the United States. For the next 12 years, Bishop Browning will serve as chief executive officer of the 2.8-million-member church. I am confident that the people of all faiths and beliefs will applaud the selection by the house of bishops.

Having experienced an unusually diverse career, Bishop Browning has been able to observe much of the world's cruelty and discourtesies along with its warmth and spirituality. Born in Corpus Christi, TX, he was educated at the Episcopal-related University of the South and the School of Theology in Tennessee, graduating in 1955. He received his ordination to the priesthood in 1955 in his birthplace of Corpus Christi. Three years later he served as a missionary in Okinawa, where he became first missionary bishop in 1968. In 1971, he was appointed bishop in charge of American Episcopal Churches in Europe, serving mostly military bases. He spent much time there counseling Vietnam-era draft resisters and deserters. Following his 3-year term, Bishop Browning served the national and world mission of the Episcopal Church in New York. Serving as its executive until 1976, he gained high national visibility. Since then, he has been serving the 10,000 Episcopalians of the 50th State.

Bishop Browning has stated that the diocese of Hawaii and his 9 years as its bishop has been very meaningful for him and his family. It was during this time, he said, that he experienced tremendous personal growth, as he gained an appreciation of the rich qualities of the diverse cultures represented in Hawaii and a better understanding of the diversity of the human family. The bishop has also noted that the 9 years spent in the Aloha State gave him a chance to put his personal priorities together because the islanders set their priorities in terms of the time spent on work, leisure, and with their families.

Through his travels, Bishop Browning has seen both the good and the bad of life's situations. He has experienced everything from living on warm, friendly islands, to the cruelty of South Africa's racism. In the process, Bishop Browning has become a humanitarian in the finest sense of the word. By responding theologically and Biblically, he will address such issues as the nuclear arms race, racism, poverty, and hunger from the vantage point of religious faith. As a member of his diocese, I am highly optimistic about the future of the Episcopal Church in America with Bishop Browning at its helm.

Mr. President, at the installation of the next presiding bishop of the Episcopal Church on January 11, 1986, at the National Cathedral here in Metropolitan Washington, the people of Hawaii and the Episcopal Church will stand proud. Hawaii will not be losing a bishop, but will instead be providing the Nation an opportunity to experience the warmth, openness, and spirituality that Bishop Browning shared with the people of the Aloha State for nearly a decade.

By these remarks I extend my heartiest congratulations to Bishop Edmond Lee Browning and wish him Godspeed

in the accomplishment of his most challenging mission.

I yield the floor.

Mr. THURMOND. Mr. President, I understand the Democratic side has now cleared the conference report.

MILITARY CONSTRUCTION AUTHORIZATION

Mr. THURMOND. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1042.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives.

Resolved, That the House insist upon its amendment to the bill (S. 1042) entitled "An Act to authorize certain construction at military installations for fiscal year 1986, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Aspin, Mr. Dellums, Mr. Montgomery, Mr. Hutto, Mr. Leath of Texas, Mr. Dickinson, Mr. Whitehurst, and Mr. Kramer be the managers of the conference on the part of the House.

Mr. THURMOND. Mr. President, I move that the Senate insist upon its amendments, agree to conference with the House on S. 1042, the fiscal year 1986 military construction authorization bill, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer [Mr. DURENBERGER] appointed Mr. THURMOND, Mr. WARNER, Mr. HUMPHREY, Mr. EAST, Mr. BINGAMAN, Mr. STENNIS, and Mr. HART conferees on the part of the Senate.

Mr. THURMOND. Mr. President, I yield the floor.

TRADE

Mr. BUMPERS. Mr. President, I compliment the Senator from South Carolina on his remarks a moment ago on the question of trade. The statistics he cited are enlightening to me and should be alarming to everyone.

Anyone who picked up the paper this morning saw that in September the United States experienced the biggest trade deficit in the history of the world by any country.

I have said many times that I find myself in an uncomfortable position in championing the limitation of imports from any country of any product. I do so for textiles and shoes only because I know that we cannot go on allowing imports into this country to increase at an exponential rate.

Who is going to pay for the $150 billion trade deficit we are accumulating this year, a trade deficit that is heading for $180 billion in 1986? Who is going to pay off that debt?

Senators in this body have talked for the last several years about nations such as Argentina, Brazil, Mexico, and other Third World nations and the staggering debt that they owe.

Now for the first time in 70 years, the United States itself is a debtor nation; that is, we owe other countries more than they owe us. At the present trend, by 1990 we will be sending $100 billion overseas a year just to pay interest on what we owe to other nations.

This debt has nothing to do with the national budget deficit which we have been debating here all year. That trade debt is an entirely different item. I am talking about $100 billion of cash outflow a year from the United States to other countries to pay for these enormous trade deficits we are running.

I think, in a sense, the President is dancing with a gorilla. You know that old story: "You don't quit when you want to; you quit when the gorilla wants to."

But here is where we are in a catch-22 position. If we limit imports, we also limit the amount of money that people who are selling us products can invest in this country. Right now we are running $200 billion budget deficits. How are we financing these $200 billion deficits? To a large extent we're financing it with foreign funds.

Five years ago, President Reagan said, "It is impossible to finance a $50 billion budget deficit without interest rates going through the roof." And 5 years later a $50 billion deficit would look to us like the greatest thing since night baseball.

I will tell you how we are financing our budget deficits. We are financing half of it, or $100 billion, with the money we are paying these countries for what they are exporting to us. They are sending their goods and money here and investing in the United States.

I have this sneaking suspicion that somebody is whispering in the President's ear:

"Mr. President, if you stop imports, you are going to limit the amount of money foreign investors will invest in Government securities to help us in financing the debt. And if you do that, two things are going to happen. No. 1, inflation is going to return, because it is imports that are keeping the price of goods down in this country. And, No. 2, since they are not going to be investing in Government securities to help us finance our debt, you are going to have to call Paul Volcker over at the Federal Reserve Bank and say, 'Mr. Chairman, start the presses and start printing money and don't quit until I call you.' "

What does that mean? Well, ask somebody who was alive in Germany in 1921 when it took a wheelbarrow full of money to buy a loaf of bread. And that means you get inflation another way, not because you have limited the importation of cheap goods, but because you are printing money. When you do that, money becomes cheaper and that rekindles inflation.

So, as I say, the President is riding a tiger and he finds it very difficult to get off. But it is the same problem, whether it is the trade deficit or it is the national deficit, we have to start dealing with it.

I get a lot of mail saying, "Senator, you know that protectionism is not the answer." So-called protectionism is not the answer, but what I am talking about on textiles and shoes is not protectionism.

In the textile and shoe import legislation we are considering, no nation is going to be badly hurt. On shoe imports under that legislation, we roll back imports to where they were a year ago, to about 65 percent of the U.S. market. Today, at this moment, about 80 percent of all the shoes sold in this country are imports.

I cannot believe that Taiwan, Korea, and Hong Kong are going to sink if we roll back the number of shoes they can export to this country to where they were a year ago. I doubt seriously that they would have to close any shoe plants, as we have done. Four plants have closed in my State already this year. We lost 2,100 textile jobs in Arkansas in 1 day earlier this year.

The other day Reynolds Aluminum and Alcoa, two of the biggest employers in my State, virtually shut down; 950 of the highest paying jobs in my State. Why? Because they cannot compete with $2 an hour wages. Why have we lost all the shoe plants? Because they cannot compete with low foreign wages.

Critics of this legislation say, "Well, they will retaliate." Will they? Do you think Japan or Korea or Taiwan or any of the other countries that enjoy our open market are going to retaliate? Are they going to shoot their best friend, their best customer? They're running the trade surpluses; we aren't.

Well, of course, they are not going to retaliate. They are going to do two things: They are going to live with our trade restriction, and they are going to open their markets up to our products.

Now all of this, Mr. President, does not give us the luxury of not dealing with our budget deficits, because our deficits are keyed to the high dollar and the high dollar is the thing that keeps us from being competitive in international trade.

One of my sons went to school in Germany for a couple of years and then the mark was worth 75 cents. And we were shipping an awful lot of merchandise to Germany then. Today, the mark is worth about 30 cents and we are shipping virtually nothing to Germany. Germany is shipping everything here.

So I just want to say, this problem is not going to be solved by the President

acting as though it does not exist. It is not going to be solved by the President repudiating every recommendation the International Trade Commission sends to him.

The industrial base of this Nation is being eroded and we are now to the point where there is not one single item manufactured in this country that is not threatened by imports.

The Commerce Department had the temerity to tell a furniture manufacturer in my State that it ought to consider going offshore and enjoying the fruits of cheap labor. What kind of a country is this when that kind of advice comes out of the U.S. Commerce Department?

I do not like the idea of Congress, on an ad hoc basis, passing legislation today on textiles, tomorrow on shoes, the next day on aluminum, the next day on timber, and the next day on steel. Trade policy ought not to be set that way. But the President has left this body with no alternative.

THE INVESTIGATION CONCERNING THE SOVIET DEFECTION

Mr. BUMPERS. Mr. President, I saw in the paper this morning where Attorney General Meese has called for an investigation of the problem of the defecting Soviet sailor off a Soviet cargo ship in New Orleans. But if I am reading the paper correctly, this is a post mortem investigation. Here you have a sailor who jumps ship, who was carried, kicking and screaming, back onto a boat to the ship, and then who jumps overboard a second time and tries to reach shore, only to be collared again and taken back and put on board ship. Then, without the American people being told anything about what he said, what the true facts were, he is forced back on the Soviet ship, which is going to be leaving within 24 to 48 hours.

I do not think it is satisfactory to tell the American people we are going to investigate this after the ship has left. That is one of the most pathetic responses to occur in this country in a long time. I would not like to think that one person is being sacrificed on behalf of the upcoming summit. I am hopeful and optimistic about the summit and I hope it succeeds.

But you cannot convince me that when somebody jumps overboard and swims to shore that he is not wanting to defect. And not one single newspaper account that I have seen says anything except the administration is reasonably satisfied that this sailor did not want to defect.

I can tell you as a former trial lawyer that I would certainly hate to try to convince a jury of that proposition. The time to investigate what is going on there and whether or not this sailor actually wanted to seek asylum ought not be made 2 days after that ship leaves. It ought to be made now.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that the Senate now go into executive session to consider the following nominations on the Executive Calendar: Calendar items No. 371, Charles A. Trabandt; No. 498, C. Everett Koop; No. 499, C.M. Naeve; No. 501, Edward R. Korman; No. 502, Robert E. Cowen; No. 503, William J. Zloch; and No. 504, Jane R. Roth.

There being no objection, the Senate proceeded to the consideration of executive business.

Mr. SIMPSON. Mr. President I ask unanimous consent that the nominations identified be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, there is no objection to the nominees who have been named by the distinguished assistant Republican leader. There is no objection on this side also to considering the nominations en bloc and to confirming them on bloc.

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

The nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF ENERGY

Charles A. Trabandt, of Virginia, to be a member of the Federal Energy Regulatory Commission.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

C. Everett Koop, of Pennsylvania, to be Surgeon General of the Public Health Service.

DEPARTMENT OF ENERGY

C. M. Naeve, of Virginia, to be a member of the Federal Energy Regulatory Commission.

THE JUDICIARY

Edward R. Korman, of New York, to be U.S. district judge for the eastern district of New York.

Robert E. Cowen, of New Jersey, to be U.S. district judge for the district of New Jersey.

William J. Zloch, of Florida, to be U.S. district judge for the Southern District of Florida.

Jane R. Roth, of Delaware, to be United States District Judge for the District of Delaware.

Mr. SIMPSON. I move to reconsider the vote by which the nominations were considered and confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to those nominations.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

CONFIRMATION OF CHARLES A. TRABANDT AND CLIFFORD M. NAEVE

Mr. McCLURE. Mr. President, I am pleased to bring before the Senate the nominations of Charles A. Trabandt and Clifford M. Naeve to be members of the Federal Energy Regulatory Commission.

On July 29, 1985, the Committee on Energy and Natural Resources held a hearing on Mr. Trabandt's nomination. On July 30, 1985, the committee ordered the nomination favorably reported by a vote of 17 yeas, 1 nay.

Mr. President, Mr. Trabandt brings to the Federal Energy Regulatory Commission a solid background in Federal energy and natural resource policy and a lengthy career in public service. His legal and technical training began in the early 1960's at the Naval Academy, after which he served as an officer in the U.S. Navy Submarine Force in the Atlantic and Pacific Fleets and as an intelligence and operations officer in the Directorate of Science and Technology at the Central Intelligence Agency.

Mr. Trabandt's subsequent experience in energy matters includes 10 years as a congressional staff member, beginning as a committee staff counsel in the House of Representatives and ending in the Senate where he served as chief counsel to the Senate Energy and Natural Resources Committee from 1981 to 1984. Mr. Trabandt left the committee to join the Department of the Interior as Executive Assistant to Secretary William P. Clark. He is currently counselor to the controller at that Department.

Mr. Trabandt has fully complied with the committee's rules requiring submittal of a financial disclosure report and a detailed information statement. His experience and comprehensive knowledge of energy issues, and his commitment to public service, qualify him to be a member of the Federal Energy Regulatory Commission.

Mr. President, on October 31 the Committee on Energy and Natural Resources, by a vote of 18 to 0, reported the nomination of Clifford M. Naeve

to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1989. Mr. Naeve's nomination hearing was held on October 24. He has fully complied with the committee's rules requiring submittal of a financial disclosure report and a detailed information statement.

Mr. Naeve holds a bachelor of science degree in mechanical engineering from the University of Texas, a masters degree in public affairs from the L.B.J. School of Public Affairs at the University of Texas, and a J.D. degree from George Washington University.

Since June of last year, Mr. Naeve has been a practicing attorney with the firm of Skadden Arps in Washington, DC. From 1982 to 1984 he was vice president of Mid-Continent Oil and Gas Association, and from 1980 to 1982 he was the Washington representative from Aminoil, U.S.A. Mr. Naeve was employed on the Senate staff for 3 years, first as a professional staff member on the Committee on Environment and Public Works from 1977 to 1978, and then as legislative director for Senator LLOYD BENTSEN from 1978 to 1980.

From this background and experience in the energy field, Mr. Naeve has gained extensive knowledge of the oil and gas industry and the intricacies of natural gas regulation. He is clearly well qualified to be a member of the Federal Energy Regulatory Commission.

I would also note that during his confirmation hearing, Mr. Naeve displayed his understandings of the importance of balanced decisionmaking as a part of the regulatory process. He stated:

> Although my representation of energy companies has made me familiar with their problems and concerns, it has not made me callous to the needs of consumers or the problems of the less fortunate. As a FERC Commissioner, I will always be mindful of my responsibility to energy consumers.
>
> I will also be sensitive to the important environmental issues which arise in connection with energy development projects. As a former staff assistant to the Senate Environment and Public Works Committee, I have a broad understanding of the major federal statutes in this area. I intend to insure that the Commission complies with both the letter and the spirit of these statutes.

Mr. Naeve's nomination comes at a time of major change in natural gas regulation. The entire natural gas industry is facing the effects of increased competition in the marketplace, and the Commission is now in the process of deciding how the regulatory process should be changed in order to accommodate and take advantage of that competition. Important decisions are being made by the Commission at a fast-moving pace. Mr. Naeve's background and experience in the natural gas industry will enable him to begin contributing to the Commission's work immediately upon his confirmation.

Mr. President, I would like to return to a particular issue I raised 2 weeks ago when the nomination of another FERC commissioner, Anthony G. Sousa, was pending before the Senate. I expressed my opinion that a Commissioner's vote on a matter pending before the Commission would be of doubtful legality if the commissioner had not been a member of the Commission during the period when hearings had been held on that particular matter. I have since been advised that there are well-established precedents in the case law pertaining to a newly appointed commissioner's ability to act on pending matters. It is my understanding that a new commissioner may vote on a pending case even after the record has closed. There is a presumption that a new commissioner's vote is based upon the record available to him even though it was completed before his appointment. I am also advised that administrative agencies, including the Federal Energy Regulatory Commission, have routinely allowed new members to participate in cases after the close of the record.

Mr. President, having clarified that point, I am pleased to recommend, on behalf of the Committee on Energy and Natural Resources, that the Senate approve the nominations of Charles A. Trabandt and Clifford M. Naeve to be members of the Federal Energy Regulatory Commission.

Mr. BENTSEN. Mr. President, it gives me great pleasure today to urge my colleagues to support a very fine, capable, and highly principled man whom the President has nominated to be a commissioner on the Federal Energy Regulatory Commission, Clifford Milo (Mike) Naeve. I have had the pleasure of knowing Mike like no other Member of the Senate. He served as a staff member of mine from May 1977 until June 1980.

During his tenure within my office, Mike performed to the highest standards which I expected. He is a man of keen intellect and vast experience in the energy area, which will enable him to serve our country well. More than anything, I found Mike to be fairminded, willing to look at all sides of an issue, and an individual of high integrity. Those characteristics will enable him to perform well in this position.

Mike's educational and professional background also suit him well to serve on the Commission. He graduated No. 1 in his class at George Washington University Law School, which he attended while working full time. He also has a master of public affairs from the L.B.J. School of Public Affairs, and a bachelor of science in mechanical engineering from the University of Texas. Mike is currently an attorney with the Washington office of Skadden, Arps, Slate, Meagher & Flom. He also has served as the vice president of Mid-Continent Oil & Gas Association.

Mr. President, I can think of no one who is better qualified, more highly motivated, and thoroughly familiar with the task before him than Mike Naeve. It is my distinct pleasure to endorse his nomination and recommend him to my colleagues as a commissioner of the Federal Energy Regulatory Commission.

CONFIRMATION OF ROBERT E. COWEN

Mr. LAUTENBERG. Mr. President, I rise to support the confirmation of Robert E. Cowen, a magistrate of the U.S. District Court for the District of New Jersey, to be a judge of that court.

Magistrate Cowen is a skilled and experienced lawyer, a dedicated public servant, and a respected and fairminded member of the judiciary. He was engaged in the private practice of law for 10 years in New Jersey. He then served as an assistant county prosecutor, and as a deputy attorney general. He directed legal ethics and judicial administration in the administrative office of the courts in New Jersey. Since 1978, he has served as a U.S. magistrate.

The Senate is considering a nominee who enjoys a high reputation among the practicing bar in New Jersey. He is known to be hard working, studious, and dedicated. The bar finds him fairminded and even tempered.

He would be a most welcome addition to the ranks of the district court judges in New Jersey. Some 518 new cases were filed last year for each judge in the district, the largest volume per judge of any district in the third circuit.

The appointment of someone who would bring to the bench such solid experience in the conduct of trials and proceedings would surely assist in enhancing the efficient administration of justice in our State. The appointment of someone who would bring to the bench a reputation for fairness, and a reputation for solid scholarship, would also enhance the quality of justice, and the public's respect for the judicial system.

I support the nomination of Robert E. Cowen and urge my colleagues to confirm him.

Mr. SIMPSON. Mr. President, it has been my privilege to come to know Jane R. Roth in my time here. She is the delightful wife of our colleague, Senator BILL ROTH. She is an extraordinarily capable woman and a noted lawyer. Now, I am sure she will be a noted jurist. I am very proud to know her. She is an intelligent and spirited lady and will serve this country with great distinction. I want to share that. There literally could not have been a finer or sounder choice.

CONFIRMATION OF JANE ROTH

Mr. DOLE. Mr. President, I am pleased to rise in support of the confirmation of Jane Roth to be U.S. district judge for the district of Delaware. The President's selection of her for this post can be described as nothing short of outstanding.

Jane Roth's legal career has been long and distinguished. After traveling extensively as an employee of the State Department, Jane entered Harvard Law School in 1962 where she was a classmate of my wife, Elizabeth. Three years later, she graduated magna cum laude and joined the highly reputable law firm of Richards, Layton, and Finger. She has engaged in an extremely successful law practice since that time, serving as a senior partner of her firm since 1973. But she has also taken time out from the demands of her legal career to devote to public service for those stricken by arthritis—work for which she has been twice honored.

Jane is the first wife of a Senator to become a Federal judge—a point which has raised the eyebrows of a few. But in light of her strong credentials and extensive experience as a practicing attorney, I would say that if anything, her appointment is overdue. It should be noted that her nomination had the strong support of the Delaware Bar Association. In fact, the president of the State bar personally testified in her behalf. The nomination was also endorsed through a bipartisan resolution in the Delaware General Assembly.

Jane is the 23d woman to be appointed to the Federal bench by President Reagan. I was pleased to recently learn that Deanell Tacha, a distinguished law professor at the University of Kansas, may soon become the 24th woman to be appointed since President Reagan has decided to nominate her to the 10th circuit. These appointments demonstrate that the Reagan administration has been vigorously seeking out women candidates for the Federal bar and doing so with success.

My heartfelt congratulations to Jane Roth on her confirmation. I know she will serve with distinction.

NOMINATION OF ROBERT E. COWEN FEDERAL DISTRICT COURT JUDGE

Mr. BRADLEY. Mr. President, I am pleased that the Senate will today confirm a qualified New Jerseyan who has been nominated to fill a vacancy on the Federal District Court for New Jersey. Robert E. Cowen currently serves as U.S. Magistrate for the district of New Jersey, a post he has held since 1978.

In his present capacity Judge Cowen has been praised by members of the bar and our Federal district judges fo. his diligence, dedication and legal knowledge. He has done a remarkable job of forging settlements among disputants and has done so in a way that has earned him the respect of all who know him. At a time when our federal judiciary in general, and the New Jersey district in particular, are suffering from an explosion of cases, these talents are sorely needed.

In addition Judge Cowen brings a breadth of experience that will be invaluable to our district court. He was asked to set up and head the Office of Ethics and Professional Responsibility for the New Jersey Supreme Court. His 5-year tenure as head of this office brought a new standard of excellence for the judiciary and lawyers subject to the commission's jurisdiction. He has demonstrated his deep concern for the need to require the highest ethical standards for those involved in the enforcement of justice.

Judge Cowen served as a deputy attorney general in New Jersey and as an assistant county prosecutor in Essex County where he gained valuable experience prosecuting criminal law violations. In his private practice before that, he gained considerable experience in civil law matters. Extensive litigation experience, combined with his tenure as U.S. Magistrate make him exceptionally well qualified to sit on the Federal district court.

I am confident that Judge Cowen will provide New Jersey with excellent judicial service.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I move that the Senate resume legislative session.

The motion was agreed to and the Senate resumed the consideration of legislative business.

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

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

ORDER OF BUSINESS

Mr. PACKWOOD. Mr. President, it is my intention shortly—not right away; there will be a quorum call first—it is my intention shortly to call up the debt ceiling extension that the House has sent us; to move to adopt two amendments, one of which is technical and the other is the Boren amendment on the minimum tax; to adopt the conference report, and then to strip out of it the main provision that the House passed on the $161 billion debt ceiling and threw in every thing that could possibly be sequestered, to strike out and to move to substitute a package reasonably similar—I do want to say very similar, but reasonably similar—to the package that passed the Senate earlier. There are some differences, and those will be explained when we start on the conference report.

Mr. President, it would be my hope that we could pass this tonight. I would hope we would not be subject to extensive debate. The changes are not complicated. There may be people in disagreement. The changes are not complex.

If we can get this measure back to the House tonight and the House can act on it—the House is still there—we can prevent any disinvestment of the Social Security Trust Fund. That is if the Senate will act.

If we wait until Saturday, Sunday, or Monday to act, it appears that there will be disinvestment of the trust fund and bonds will be sold to pay Social Security claims. But I hope it is not the Senate that holds up this process. If we send it to the House, they still may not adopt it. I hope it will not be the Senate that holds up this measure, so that at least we can say that we were not responsible for the disinvestment of the trust funds.

CALL OF THE ROLL

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. PACKWOOD. I yield.

Mr. BYRD. Mr. President, this should be a live quorum. We are taking up a very important matter here. We should not vote on it with our eyes closed.

I, too, hope we can take action this evening, especially on the short-term extension, which would give us time to give more careful consideration to the other package. But I must say that we want a live quorum. I want Senators to know what is in this package. I will vote on it, and I want to know what I am voting on. I hope we will act accordingly.

So I suggest that this be a live quorum. I will object to calling it off until then.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 20 Leg.]

Boschwitz	Durenberger	Grassley
Burdick	Evans	Long
Byrd	Exon	Packwood
Chiles	Gorton	

The PRESIDING OFFICER. A quorum is not present.

Mr. PACKWOOD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon (Mr. PACKWOOD) to instruct the Sergeant at Arms to request the attendance of absent Senators.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Dakota [Mr. ANDREWS], the Senator from Oregon [Mr. HATFIELD], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Michigan [Mr. LEVIN] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 85, nays 3, as follows:

[Rollcall Vote No. 277 Leg.]

YEAS—85

Abdnor	Gorton	Mitchell
Armstrong	Gramm	Moynihan
Bingaman	Grassley	Nickles
Boren	Harkin	Nunn
Boschwitz	Hart	Packwood
Bradley	Hatch	Pell
Bumpers	Hawkins	Pressler
Burdick	Hecht	Proxmire
Byrd	Heflin	Pryor
Chafee	Heinz	Riegle
Chiles	Helms	Rockefeller
Cochran	Hollings	Roth
Cohen	Humphrey	Rudman
Cranston	Inouye	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
Denton	Kerry	Simpson
Dixon	Lautenberg	Specter
Dole	Laxalt	Stafford
Domenici	Leahy	Stennis
Durenberger	Long	Stevens
Eagleton	Lugar	Symms
East	Mathias	Thurmond
Evans	Matsunaga	Trible
Exon	Mattingly	Warner
Ford	McClure	Wilson
Garn	McConnell	Zorinsky
Glenn	Melcher	
Gore	Metzenbaum	

NAYS—3

Goldwater	Quayle	Weicker

NOT VOTING—12

Andrews	DeConcini	Kennedy
Baucus	Dodd	Levin
Bentsen	Hatfield	Murkowski
Biden	Johnston	Wallop

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not anwswer the quorum call, a quorum is now present.

DEBT CEILING EXTENSION

Mr. PACKWOOD addresed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, as I indicated earlier, we are going to be on the extension of the debt ceiling tonight. I would like to be able to send it back to the House tonight in the hopes that they might still be in session and adopt it. The debt ceiling extension that we will consider here is similar, although not identical, to the debt ceiling extension that we passed with the Gramm-Rudman amendment in it a short time ago.

There has been some modification and some clarification. It is much easier now to tell whether the provisions are in category I or category II. Senator CHILES and Senator LEVIN have caught two—I do not want to say errors in the bill, but obvious questions—questions which we have remedied, one relating to the severability provisions, and then another relating to the existing contracts as to whether or not they can be sequestered. In both cases, their amendments are good amendments. They have been added to the bill.

We have changed slightly the provision as to how you estimate your economic figures before sequestration takes forth.

As you will recall, we had in the bill a combination procedure involving the Congressional Budget Office and the Office of Management and Budget. They each took their figures, compared their figures, and it was not quite an average. Roughly, you figured out the difference between the two, and that became the basis for your economic projections.

There was some question as to its constitutionality, an argument being from the House Members—they have a letter from Lawrence Tribe, a good constitutional scholar at Harvard, that is based upon Buckley versus Valeo in the Federal Election Commission in the appointment of executive officers to do executive duties—that the use of the Congressional Budget Office as it was then put forth in our bill was unconstitutional, and the Democrats make that claim in conference.

I might add as an aside, I was intrigued with their offer that they passed in the House considering the fact that they had raised the issue of constitutionality. What they have sent back to us is a provision that the Congressional Budget Office, all by itself, and not in consultation with OMB, shall determine the figures upon which the President must act. I thought if ours might have been unconstitutional because it compelled CBO and OMB—and they raised the issue of constitutionality on that, now they send us back one that has only the Congressional Budget Office by itself setting out the figures ordering the President to act—theirs is clearly unconstitutional.

Then, we have the normal constitutional provisions of severability. If one part is found to be unconstitutional, the rest stands. Theirs is not severable. If one part of the whole process is found to be unconstitutional, it all falls. They have given us a provision that they think is obviously unconstitutional.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. PACKWOOD. I yield for a question.

Mr. LONG. Is the Senator aware of any severability clause that any legislative body has adopted that says if any part is wrong, the whole thing is wrong?

Mr. PACKWOOD. No; that is the first time I have ever seen that provision in it. So we added a provision in ours over here tonight that says CBO, OMB, and in the GAO—which indeed is an executive agency—has to certify the results of the CBO and the OMB.

We think that cures the allegation of unconstitutionality. But if it does not, we have an alternative procedure. We say if it first strikes that down, the alternative procedure is, figures will be expanded by a joint resolution of Congress. The President has to sign that. No one argues that is unconstitutional. That clearly is OK. That will be an alternative procedure, if the court were to consider our trigger and find that unconstitutional.

There are expedited judicial reviews for anybody who wants to bring suit, the Congress notwithstanding, and I have to comment on a particular provision of the Senator from Michigan that I thought was really ingenious as to what he found was wrong with the bill.

You know the argument that has been raised about the President has a constitutional right if he chooses not to sequester defense, even though the law says he has to. His right as Commander in Chief overrides that. If he does not want to sequester defense, he does not have to. Most of us thought that particular statement coming from one of the Cabinet did not portray what we thought to be an accurate description of the law.

We thought probably the law would constitutionally agree that it is mandatory that he must sequester, and that he sequester across the board. He cannot use the defense of Commander in Chief not to sequester defense.

The Senator from Michigan came up with what I thought was a very good

amendment. This is what he said—the normal opposite of severability. He said if the President exercises that claim, and he does not sequester defense, but he sequesters domestic spending—and that goes to court and the court holds that the President was right—he does have a constitutional right not to sequester defense. Then the amendment of the Senator from Michigan says, in that case, the President's right to sequester domestic spending falls because it was very clearly the intent of this body to have the act fall as evenly as possible when there is a sequester overall.

We exempted Social Security. No one is arguing about that. We all know why we exempted Social Security. We clearly exempt interest on the debt. It is a contract. You have to pay it. You cannot sequester that. There is, for those who want to see it, a long list of other items that are exempt. No one argues about that—neither Republican, Democrat, liberal, nor conservative. They are basically insurance funds—the Federal Deposit Insurance Corporation and other funds of that nature, where money is being received to pay out claims. There is quite a list. But the controversial exempt one was Social Security. That is exempted.

So that is taken care of. Medicare, there is a difference of opinion on this floor as to what category it was in. I will go through again the categories. First, the exempt category, you cannot touch it, period. No. Then you have what we call category I. Those were basically COLA programs. We said if there is a sequestration on the COLA programs, you could sequester no lower than a freeze. They had a 3-percent increase due because of a cost-of-living adjustment, but there is a 5-percent sequester. You can only go down to 3 percent. You could not go below that. That is the category I programs. Almost all statutorial indexed programs are in that category.

Category II are what we call the controllables. It is almost all the other programs in Government. There was the debate as to whether Medicare was in category I, the COLA Program, or category II. As you read the debate on the floor, the sponsors of the bill indicated that they thought Medicare was in category II. Several Members thought it was in category I. As we debated the language, it was clear there was a difference of opinion.

This particular amendment that we will offer puts it in category II with one slight exception. It is subject to a controllable sequester like all others, and all other expenses with the exception of about 3 percent of Medicare that is statutorially indexed. That got us into the category I with all of the other statutorially indexed programs. That means that Medicare is sequestered 5 percent. What you do is pay out 5 percent less to doctors and 5 percent less to hospitals.

Yet our feeling was that everyone ought to be touched evenly.

Then there is the debate as to whether or not the action of the Senate covered existing or future contracts. Here the argument was about defense, the MX, and basically the big military weapons systems.

So we adopted an amendment of the Senator from Florida, Senator CHILES, that certainly it was legal to sequester them. They would be subject to sequester unless there was a penalty provision that would have required that in sequestering them the cost of sequestering would be not as great as a penalty you would pay to do it, in which case there would be no sequester.

We thought that took care of the problem with existing contracts, and we thought we meant the penalty provision to be in the year of sequestering.

Initially, the administration did not like the Chiles amendment at all. They did not like it when it was offered. They opposed it when it was offered.

Later on, after they looked at it and saw the penalty provision, they decided they could live with it. What happened was they first thought to themselves the penalty provision does not apply in just the year that you sequester but it applies to the life of the contract. You know the argument on defense contracts. If you cut them down this year and spread them out it costs more money in the long run. Therefore, if we sequester it this year, we save 15 percent this year and at the end of 5 years it would cost you 17 percent more to do it. That means that the Government was subject to penalty.

Well, they did not mean that.

So Senator CHILES put in a provision curing that. If you want to know how it is cured, he will be happy to tell you.

Basically how he cures that is if existing contracts are sequestered and if the penalty in the year of sequester is greater than what we save, you do not sequester. If it is less, you do.

Then we discovered the administration thought to itself, "Wait a minute. As to future contracts, if we write them all with a penalty provision so severe that in the year of sequester the penalty would be greater than the savings, we can write all future contracts with that sequester and not only military contracts. We can do it with NIH grants and contracts. We can do it to all the entitlement contracts if we wanted to, and nothing would be subject to penalty."

The amendment just says that all future contracts will be written subject to sequestering and they cannot put in a provision that would escape it. That solves the problem on that issue. But the Senator from Florida still has other questions. He thinks Medicare should be in category I and he has some others he wants to put in category I. I think we have solved the contract problem.

For the Senator from Michigan I think we have solved the severability problem.

I have now mentioned the major differences.

They are in Medicare, category I and category II, a significant difference. But in terms of the process, it is more refined, it is more explicit than what we passed here. But in the way the bill works the theme of the amendment is not significantly different from what we have.

Mr. STAFFORD. Will the Senator yield?

Mr. PACKWOOD. I yield.

Mr. STAFFORD. I am deeply concerned, I will say to my friend the chairman of the committee, in connection with the effect of Gramm-Rudman on educational programs in general and on the Guaranteed Student Loan Program in particular since, in effect, long-range contracts are involved.

A banker loans money to a student and the Federal Government guarantees the interest while he is in college, and then he is required after graduation to pay off the debt.

The fear is that if these contracts are subject to sequestering in terms of a contract between a borrower and a bank, and can be changed in the future.

I am advised recently that in view of that fact the banks of this country have advised they will not participate in guaranteed student loans if this impact occurs as far as the Guaranteed Student Loan Program is concerned.

That worries me since I am chairman of the Education Subcommittee. I am going to have to explain this back home.

If the American banking system drops out, some 3 or 4 million kids will not have the opportunity to go to college that we believe they ought to have. I wonder if the distinguished Senator can comment on that.

Mr. PACKWOOD. I can comment. Even though the Senator from Alaska was not with us, he was with us on most of the negotiations. The Senator from Texas is more familiar with that program than am I. I yield to him.

Mr. GRAMM. I thank the chairman for yielding. We recognize the special problems in two types of contracts, the CCC contract and the guaranteed student loan contract.

Basically, students borrow the money when they start in September. They have a contract through the year. They have made their plans. So we could not very well come in during

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the middle of the process and cut back their loan.

The same was true under CCC. The Senator from Oklahoma came up with what I thought was an ingenious solution to the problem. Under CCC we could not have somebody negotiate a price and have things change in the middle of the process. It was not fair to let one grouping be covered and another one be cut off in the middle.

Our solution was that contracts would not be interrupted. The sequester order would apply only once the contract had expired. It would apply for 12 months thereafter to all new contracts so that we did not disrupt the process and so that we did not create financial uncertainties.

It was really due to the Senator from Oklahoma that we addressed that problem and I think dealt with it well.

Let me make a point clear to the distinguished chairman of the Education Subcommittee.

The House made some fundamental changes in this bill and in the program they adopted. One of those fundamental changes was exempting a lot of programs. The guaranteed student loans were not among those programs. But every program that was exempt means that larger reductions would be made in every other program that was part of the process.

In fact, as best we can figure, and it is hard to figure because no one saw their bill until about 30 minutes before it was introduced. As best we can figure our sequester pot has about $600 billion in it. Their sequester pot has about $250 billion in it. So you can figure that somewhere between 2 and 2½ times larger cuts on those things that are in the sequester pot would be required under their reconciliation as compared to ours.

That is especially important when you get to programs like guaranteed student loans or defense, and especially as it relates to personnel.

Mr. STAFFORD. Would the Senator allow me to ask one more question?

Mr. GRAMM. I will be happy to.

Mr. STAFFORD. This will be a brief question.

Following what has been said by the Senator, I would understand that there would be no attempt to sequester in the first year of a student's entry into college, when the student has entered into a contract for that year?

Mr. GRAMM. The distinguished chairman is absolutely correct. In fact, the language of the bill specifically prohibits the contract that has been entered into from being affected and requires that the sequester order come only at the end of that contract.

Mr. STAFFORD. That is what I am coming to next. Would a contract in which a student is getting a guaranteed student loan be considered to be a 4-year contract, which is how I would consider it, rather than a 1-year contract? If not, then the student would be subject to sequester in each of the 3 succeeding years, would he not?

Mr. GRAMM. As I understand, it would be a 1-year contract and the student would be subject to a new set of rules based on, again, how well we performed our duties. But I want the distinguished chairman to understand that a student would know in advance and the financial institutions would know in advance. There would be no change in the rules of the game during the period of time that a contract has been signed, but certainly the program would be affected, as would every other program on budget, though the impact on guaranteed student loans under our sequester order would be less than half of what their sequester would be because of the things they leave out.

Mr. STAFFORD. I thank the Senator.

Mr. PRYOR. Mr. President, I have a question for the distinguished Senator from Texas. I do not know if he is the person who would answer. Perhaps the distinguished assistant majority leader who I see in the Chamber at this time might be the appropriate person to answer.

The House of Representatives, moments ago, passed by 207 to 194 the motion to adjourn. There is no House of Representatives on the other end of the Capitol at this time. I am wondering what might be the thinking of the distinguished majority leader if we go into the night on this issue and attempt to send something back over there and no one answers the door.

Mr. SIMPSON. Mr. President, often, we knock and there is no one there. But we keep coming back like a song.

Let me say that the distinguished chairman of the committee is meeting at the present time with the majority leader in order to determine the position of the administration, I believe—there is further discussion with the administration on their position. It is the intention, at least it seems to the assistant majority leader without having had a visit with the leader within the last half-hour, that we are going to go forward with our work, which is to have the question addressed as to the temporary extension, the brief several days, extension of the debt limit.

There has been, in my consultation with the minority whip, no intent to determine how that will come out. We are well aware that we have a sizable number of our Members here to do our business.

The House had their Members here; in fact, they were almost all here. That vote signifies a little bit of that essence.

It is our intent to go forward with a vote—at least, it was my last knowledge that we would go ahead with the vote on the issue of extension and then also go forward with the package that the chairman of the Finance Committee will present to us. That is still the order of the day.

I wish I could tell my colleagues something more specific. It is hoped that we certainly would not be in session tomorrow. But we feel, I think on our side of the aisle and many people on that side of the aisle feel that at 12 midnight, people have said to us there will be a disinvestment of Social Security funds. But not much banking is done in America on Saturdays and Sundays. Perhaps that would take care of itself. But I think that is the situation as I express it to my good friend from Arkansas.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. SIMPSON. Yes.

Mr. CHILES. I just want to say to my good friend, the assistant majority leader, that we as yet, on our side, do not have a copy of the latest version of the Gramm-Rudman proposal. The last version we saw was 88 pages. It is going to take us and our staff some time to go over that. We know it was worked on last night, we know it was worked on this morning. We know it was still in the legislative counsel's office at 3 o'clock or so this afternoon. We need some opportunity to go over that.

My Members are asking us what is in it, how does it differ? We have had a brief description from the distinguished chairman of the Committee on Finance, which was good, but there is no alternative to being able to look at the language. We pay people a lot on our side to do that. We would like to have them earn their money and at least have a look over that.

So, at some stage, Mr. President, I think it would be nice if we could have a copy; also my description that would go with it. Then I think we are going to need 45 minutes to an hour.

I hope we would get some time before we say we are going to start on that, that we could have a chance to look at it and determine what is in it.

Mr. SIMPSON. Mr. President, I think it would be important for the Members to continue to make their inquiry of the sponsors of the measure. I have not been involved in the conference activity. I cannot answer those specific questions that might be raised.

I can say that the majority leader will return to the floor very shortly and give an expression of where we are. There is no intent to foreclose gaining of knowledge as to what is in the amendment. Certainly, copies will be furnished momentarily.

Mr. BUMPERS. Will the Senator from Texas yield for a couple of questions?

Mr. GRAMM. I would be happy to yield, Mr. President, if the distinguished leader is finished. We will face a decision within the next couple of hours as to whether to substitute the Senate package as amended in conference for the package that was adopted by the House. Chairman PACKWOOD asked me to review what was in the House package and I would like to do that very briefly if I may, although I shall withhold if our distinguished assistant leader wants.

Mr. BUMPERS. Would the Senator answer a couple of specific questions for me? I do not want to preempt his discussion of this.

He made a statement a while ago that the Senate version had a $600 billion pot for sequestering—that is, from which to draw the sequestering funds—and that the House version only had $250 billion.

Mr. GRAMM. Those are rough numbers, but the best we can ascertain at this time.

Mr. BUMPERS. That is a difference of $350 billion. I know they took out a host of programs that are generally for the poor, such as food stamps, I think Medicaid was in it, WIC, immunizations.

I was wondering, what is the book on $350 billion? That is a big difference.

Mr. GRAMM. Well, if I may, I shall begin on that point.

The House made several substantial changes when they adopted their version of this bill. They exempted a range of programs—food stamps, supplemental security income, AFDC, child nutrition, veterans' pensions and compensation, community and migrant health centers, WIC, and commodity supplemental food programs. The exempted Medicare and Medicaid. Since they do not have automatic increases, they moved them to category 1.

They exempted the CCC Program, they exempted all existing contracts, both military and civilian. In addition, they made a series of other changes. But before I go on to those, let me reiterate what happens when you shrink the size of the pot as they have.

For example, in the area of defense, by exempting all defense contracts from prior years and all nondefense contracts, obviously, the cuts that hit defense hit operation and maintenance and personnel. Whereas our sequester order cutting $25 billion would produce about a 5-percent reduction, theirs would produce about a 10-percent reduction. So as best we can figure under their program, a $25 billion sequester order, according to figures provided by the chairman of the Armed Services Committee in the House, could produce the elimination of about 600,000 military personnel. That is three times as large as the Marine Corps.

I think it is an interesting commentary on the priorities of the House that they exempt all of these other programs and prior contracts but not veterans' health care. They exempted migrant health centers which serve in many cases, as we by these centers know, illegal aliens, though certainly American citizens are served and they did not exempt veterans' hospitals. Apparently, the House feels that migrant health centers are of a higher order of importance. These centers ought not to be part of dealing with the deficit. Veterans' hospitals which serve those who have fought and bled and died for America, and their dependents, are less important than all these other programs.

The important thing is that by making the pot small and letting the chosen many out of the pot, they produce some fairly substantial results. By exempting social programs and contracts, the House alternative decimates veterans' programs in terms of medical care if you have a big sequester order. Let me give an example.

With a $25 billion sequester order, you would have roughly a 10-percent cut in veterans health care expenditures.

If you take that down to what is provided, it could mean the potential layoff of 19,400 VA employees, 3,300 nurses, and 1,200 doctors. It could eliminate hospital care being provided to 140,000 veterans and outpatient care for 400,000 veterans.

In terms of the fairness issue, which I have talked about earlier and we debated on this floor, once you start granting special privilege to the few, then there is always the question about why somebody else was not given the benefits. Why are programs such as migrant health centers more important than veterans' health care programs? Why have some been chosen rather than others? And, of course, we decided in the Senate to the extend of our ability to include everything in the pot.

Finally, there are several other provisions of the House bill that I think are important. As you remember, the first charge we heard from Chairman Rodino was that our bill was unconstitutional. The most serious constitutional challenge was based on the inclusion of the Congressional Budget Office which of course we had done with OMB for balance, since that was not an executive agency of Government. In fact there had been a unanimous decision by the Supreme Court to that effect.

We responded to that by changing our language as part of the conference process with the House to bring in the General Accounting Office to certify the numbers of OMB and CBO and to provide additional procedures should that be struck down. But I think the House provision indicates an effort to kill the bill. While they had warned us about the problem with the Congressional Budget Office participation, they struck OMB's participation, and left only the Congressional Budget Office involved in the certification process, in clear violation of the warning they had given us about constitutionality. Then they added the extraordinary provision to the bill that if any part of it was held to be unconstitutional, the whole bill would fall. Those in the other body who 2 weeks ago were saying this bill is unconstitutional had three arguments. The most serious one was the involvement of the Congressional Budget Office. We went to conference in good faith and came up with a provision to solve that problem. When they introduced their so-called substitute on the floor today they included only CBO, which they had notified us would be clearly unconstitutional, and then they added the extraordinary provision that if any element of the bill was ruled unconstitutional, the whole bill would fall.

Now, I leave it to my colleagues to determine how disingenuous this whole process was.

Finally, an additional change that is included in the House bill was the rather extraordinary decision that after having adopted a budget of $171.9 billion, with no binding process involved in it whatsoever, where we have not met reconciliation requirements in either House of Congress—and there is growing concern, of course, that that whole process is jeopardized—the House decided that they wanted to shoot for a target in the first year of $161.9 billion.

Now, I remind my colleagues as we discussed it at great length on the floor of the Senate, many things have happened since that budget was adopted in June. No. 1, some of the savings that the House included have turned out to be somewhat questionable. There was the $10 billion in their proposal for contracting in, where we were going to save $10 billion by having the Government hire more people and do more. There was the provision of taking money off budget and giving three-fifths of it to the States and lowering the deficit. We also had the problem that now as a result of a reestimate undertaken in August that agriculture is up by $6 billion, it is clear that we are going to be $3 billion over in the transportation function and that revenues are $8 billion below the level that we assumed by assuming a 4-percent real growth. So the truth is that the deficit today is somewhere between $190 billion and $200 billion. DRI, for example, an outside private sector group that makes projections, projects the deficit at $201 billion. We have had other outside groups project the deficit at $205 bil-

lion. Now, I remind my colleagues that on this very floor at 3 o'clock in the morning we passed a historic deficit reduction package that saved $52 billion. We had the requirement for reconciliation as part of that package which made those savings permanent. We went to conference with the House and in the process ended up reducing our mandated savings through reconciliation by a substantial amount.

Now, having gone through the whole process, had the budget process completed, had the fiscal year start, all of a sudden after fighting every effort for deficit reduction for the last 9 months, after having killed all of our efforts, the House not only would like to make the deficit $171.9 billion, which we promised—all of a sudden they want the deficit to be $161.9 billion. The only problem is they do not tell us how we are going to get there. In fact, what they have done, which again I think suggests some contradiction on their part, is that they have exempted social programs, they have exempted contracts, they have exempted 90 percent of the farm program, and now they have said we want you in the next 30 days to lower the deficit $40 billion.

Now, we are not talking about pie in the sky, when we talk about a $40 billion deficit reduction in a budget where revenues are growing by $70 billion, remembering that this year we spent $40 billion of that $70 billion and we claimed other savings. They are saying, with no revenue assistance whatsoever, now that we have prevented you from saving money substantially for 9 months, we want $40 billion of extra savings in 30 days and we want you to cut across the board to get it except do not cut any of the programs that we have exempted,

Now, finally, and I do not want to be critical of our colleagues in the other body, but I think it is very clear what is happening here I would like to sum up and take questions. No. 1, they raised a constitutional question. We responded to it, and when they wrote their bill they wrote it in such a way that it would be deemed unconstitutional, and they added a provision that the whole bill would be thrown out.

No. 2, while we attempted to have an across-the-board approach including everything in the pot, though clearly in trying to put together the language it has been a long and difficult process but we have it, they go through and exempt most of the social programs, clearly an effort to attract votes from those who want to exempt those programs. They exempt contracts, maybe trying to attract those who are engaged in performing the contracts, and then I guess in one final effort to attract representatives from the rural areas they exempt the agriculture program. But all the time, as the pot for sequestering is getting smaller and smaller and smaller, they are saying we want you to cut more. We want you to cut $40 billion in 30 days. That $40 billion sequester order would produce roughly about an 18-percent across-the-board reduction in the pot as best we can figure.

Now, does anybody really believe that the House of Representatives wants to see the spending that remains in that pot cut by 18 percent across the board or 15 percent across the board? I submit that they do not. I submit that this is a political sham that was aimed at trying to make the shoe so tight that we would never get it on, trying to make the bill unconstitutional so it would be struck down if we ever did get it on.

Finally, rather than setting out a target that would reduce the deficit systematically, they say that if we have bad times, we do not have to cut as much.

Interestingly enough, we have always assumed good times so that we would not have to cut as much. But under their bill, you assume bad times so you would not have to cut as much. In the current rate of growth, they would not get to the balanced budget in 1990.

Mr. RUDMAN. Mr. President, will the Senator yield for a question?

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. GRAMM. I yield first to the Senator from Arizona and then to the Senator from New Hampshire.

Mr. GOLDWATER. The Senator mentioned that there are 19,000 people in the Veterans' Administration. I am wondering if there is any effect in the House bill in CHAMPUS.

Mr. GRAMM. In looking at the bill, CHAMPUS would not be exempt, so there would be an effect there.

The point I was making is what extraordinary results you produce when you exempt vast quantities of the budget from the process and simply bear down more and more on a limited amount of the pot.

Interestingly enough, some of the most vocal spokesmen for veterans in the House stood up and heralded this bill, which exempted the COLA's on the pension, as a program to protect veterans when, in fact, with all the other stuff it left out, it decimates the veterans' health program with sequestering.

The PRESIDING OFFICER (Mr. TRIBLE). The Senator from New Hampshire.

Mr. RUDMAN. Before I ask the question, I simply say that anyone who has a fine appreciation of irony really should read this, as I just have.

I say to the Senator from Texas that 10 days ago we heard that this was unconstitutional, that it was draconian, that it was severe. What we have tonight is something that is more unconstitutional, more draconian, more severe, and it is going to happen right now.

I ask the Senator from Texas whether or not I understand this draft correctly, in that all existing contracts are exempt.

Mr. GRAMM. That is correct.

Mr. RUDMAN. Which, of course, is totally different not only from the bill as passed by the Senate but also totally different from the bill as improved by the Chiles amendment. Is that correct?

Mr. GRAMM. So far as I understand, it totally exempts contracts. It flies in the whole face of the Chiles amendment and the concerns that were raised on this floor about defense contracts being exempted. I remind my colleague that when you exempt the contract side of defense, you absolutely decimate the personnel side.

Mr. RUDMAN. Am I also correct that essentially, whereas we had a long discussion on this floor to make sure the farm program was treated fairly but equally, we had treated the CCC Program in a way that it would have been reached, and it now has been exempted? Is that correct?

Mr. GRAMM. The so-called Whitten amendment, for all practical purposes, exempted CCC from the process and, as a result, exempted 90 percent of the farm program from any sequester order whatsoever.

Mr. RUDMAN. I have one last question, and it is derived from the discussion I had with the Senator from Arkansas [Mr. BUMPERS] during the day, and it relates to a question he asked again this evening.

Am I correct that, talking rather specifically, all that is left in the pot under this House bill would be those discretionary programs that are not poverty programs and that part of the defense budget that is not contracts, period?

Mr. GRAMM. Well, I cannot say it with that degree of specificity, but certainly most of the means test programs that come to mind are exempt.

Clearly, the veterans' hospital system is not exempt. Clearly, general Government programs and economic infrastructure programs that the minority substitute sought to protect are not exempt and would be decimated by this program.

Mr. RUDMAN. I conclude by saying to the Senator from Texas that I thank him for yielding.

I believe tht the Senate, on both sides of the aisle—and in particular during the conference that has gone on—has made a good-faith effort to improve the product the Senate passed, and I believe the Senate did that. I do not believe anyone ought to be fooled. We will judge this so-called House package for what it is. I hate to say it, but it is a sham.

Mr. BUMPERS. Mr. President, will the Senator yield?

Mr. GRAMM. I yield.

Mr. BUMPERS. I have two or three questions.

If, under the House bill, all contracts are exempt, how much would that leave in the defense budget subject to being sequestered?

Mr. GRAMM. I have that number here somewhere in this big stack. It would probably be better for me to just try to give a general ballpark figure. It would leave all the personnel accounts, all operation and maintenance, and those new contracts that we enter into in the process. It would certainly exempt at last $100 million in defense spending, probably more, but I will try to get that number and get it to the Senator.

Mr. BUMPERS. If the figure exempt is $100 billion out of a roughly $300 billion defense budget, does that mean that of the $250 billion the House left in the pot, $200 billion would be defense? I am not sure of this, so I am really asking an honest question.

Mr. GRAMM. I would say that somewhere between $150 and $250 would be defense.

Mr. BUMPERS. Out of the total pot of $250?

Mr. GRAMM. Out of the total pot of roughly $250, as best we can figure, maybe $300. We are talking in that range—roughly one-half. We have always said we thought it was between $500 and $600. It is probably between $250 and $300.

Mr. BUMPERS. The House has placed Medicare, as I understand it, in the automatic increase category, category A. Is that correct?

Mr. GRAMM. They have. But let me remind the Senator that Medicare does not have an automatic COLA; and, as a result by putting it in category 1, Medicare is made exempt, and that is a huge program.

Mr. BUMPERS. I think the Senator's point is well taken. But I was wondering if we move it into category 2, in the controllables—as I understood it, when Gramm-Rudman left here, there were roughly $8 billion subject to sequestration in category 1. Once you take that and move category 2, it was understood that roughly half of category 2—that is, the controllable list—was defense. Is that a fair statement? It might not be precise, but I think we talked in general terms.

Mr. GRAMM. Certainly in terms of the actual sequester order, the way our numbers have always worked out, including contracts, was that after you took out the COLA, about 50 percent was going to be defense.

Mr. BUMPERS. That is right. That was my point. When the bill left here, Medicare was not in the COLA category, was it?

Mr. GRAMM. Let me remind the Senator—and I do not wish to try to gloss over what was clearly a rough edge—that I felt, and many who supported the bill felt, that the way it was written, Medicare was in category 2. The dispute came about a simple misunderstanding or disputed area. Medicare does not have an automatic COLA.

That COLA is granted by the President through the Secretary of Health and Human Services. The Secretary at HHS also has the ability within a range to actually reduce that reimbursement by as much as 4 percent.

So it was always my belief and the belief of the two principal cosponsors of this bill that it was in category 2.

It is also equally clear that there are many who thought that it was in category 1.

What we have done here to clarify, however, is that we have put everything on budget that does not have an automatic COLA in category 2 and, therefore, in this version there is no question about the fact that Medicare, the part that is the payment to doctors and to hospitals—no person is denied a benefit or an eligibility—but the payment to doctors and hospitals is just like the payment to people under CCC, just like the payment to people under numerous other programs, is part of the sequester process.

Mr. BUMPERS. Let me make one other point. One of the things that has always concerned me about this bill and how we would treat defense was I had a feeling we were moving toward where the House came down, and this concerns me more about the House bill than anything else. If you remove all contracts and you wind up coming with the necessity of an 18 percent, say, across-the-board cut, it is going to come right out of readiness items which the Defense Department has always slighted anyway. Since the memory of man runneth not, they love weapons but they do not care anything about readiness. And what we are going to be doing here—and this really troubles me about this—there are some things I like about the House bill, but we will be cutting readiness items very dramatically if this is passed in its present form.

Mr. GRAMM. If the Senator will yield back, let me make it clear that it is clear to me that the House of Representatives put together a political deal and the political deal was they exempted contracts for the people who were interested in defense contracts, they exempted agriculture for the rural people, and the social programs for the urban people, but the problem is the way it is now written any sequester order would hit personnel in O&M twice as hard under their program as under ours.

I want to assure the Senator from the point of view of any influence I might have that I am not going to support that House language.

I think a failure to take into account the contracts so severely distorts this whole process that it would be a disaster for national defense and for the whole process itself.

Mr. BUMPERS. Let me just say, in closing, so far as my concerns are concerned. I voted for the Exon amendment when it came up originally because the Exon amendment said let us start now if we really are serious about budget reductions. Let us not wait until 1987 and until 1986 elections are passed. I am up in 1986 and I do not have any great desire to alienate my constituents by cutting a lot of programs that they are enjoying, but I do think that the deficit problem is of such a magnitude we do not have any choice unless we just prefer to continue the way we have been going and do nothing.

So I like that part of it. I think the House of Representatives has gone too far. Obviously, by cutting the pot and lowering the target it does make the whole thing virtually impossible.

The only way, as I see it, that you could possibly meet that without just creating real social disaster and dislocation in this country would be for a sizable tax increase. We keep talking under Gramm-Rudman as though we must cut. In my opinion the cuts always under Gramm-Rudman are trying to reach roughly $40 billion a year. As W.C. Fields said, "That hain't a beanbag." This body has not shown a great amount of courage in cutting and that is going to be an awful lot.

So I think if the House version were adopted it would literally mandate a combination of cuts and tax increases because you could not possibly meet the target without really creating more havoc than people on either side of this aisle are willing to undertake.

Mr. GRAMM. If I might respond, and I wish to respond to this point, because I think it is critically important.

Mr. BUMPERS. Before the Senator does, I compliment him on the clarity of this explanation tonight. He gave, I think, a fine explanation of the difference between the two bills.

Mr. GRAMM. I thank the Senator.

One of the early charges that was made against this bill I think as people were beginning to read it was this charge that nothing happened until after the election. I think it sent the House charging off to prove that they were as much macho cutters as we were.

The problem is the bill does a lot before the election. With our current targets in the bill, it would be very difficult to avoid an across-the-board cut within the next 4 weeks as the bill passed the Senate. It would be very difficult to avoid an across-the-board

cut. It would be a manageable size cut but it would be significant.

The President under this bill will have to submit the toughest budget of his Presidency, saving over $45 billion on January 15. By April 15, we will have had to have adopted a budget with a deficit no greater. We will have reconciliatiuon by June 15. And then on October 1, a month before the election, if we did not do it right, we would have an across-the-board sequester order 30 days away from the voters.

So whoever started this idea that we do not do anything before the election in this Senate bill simply did not understand it.

Second, let me say this: I do not think there is any doubt. The Senator from Arkansas is correct in believing that the House bill is written in such a way that they believe they would force the President to raise taxes.

But I think it is a very dangerous game of chicken because if you were President and you were in the first year of a 6-year process aimed at setting priorities, and the first thing out of the chute in the first year Congress sent you a big whopping tax increase, would you sign it?

I submit that there would be tremendous pressure not to do it out of the belief that every year for 6 years thereafter, if you signed the tax increase the first year, you would never get any spending restraint, and I think what the House of Representatives has done here is a combination of trying to out-macho us in terms of deficit reduction, a little bit of trying to make the shoe so tight it will not fit, but finally I think if their bill were adopted—and I am grateful in my knowledge that it will not be and so are they—that we would have literally in the next 30 days a crisis in hundreds of Federal programs that probably could not be avoided. And that is why when we wrote this bill we set it up to tighten down this first year to force the President to exercise these vetoes, to keep the deficit down, and then start out in January with a process that would come to fruition before the election.

But the way the bill is written from the House of Representatives it would not work in that manner.

Mr. BUMPERS. I thank the Senator.

Mr. GRAMM. Mr. President, I suggest the absence of a quorum.

Mr. ARMSTRONG. Mr. President, will the Senator withhold that a moment?

Mr. GRAMM. I am happy to withhold.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GRAMM. I yield to the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, I hope that this information might get through to the majority leader as well as the leadership on that side of the aisle.

Please understand, since I am for the Gramm-Hollings-Rudman amendment, I agree with everything the Senator said in his speech and I am ready to vote with him on the matter, as far as the Senator from Louisiana is concerned.

But I do not believe we can settle this matter tonight because Mr. CHILES, and I assume others, want to see the language. They would like a little time to analyze it, and it is certainly reasonable for them to have enough time to study the language and see if it does what they are told it will do.

But even if we do all that, the House of Representatives has still gone out. We do not have the power to bring the House back. Even the President does not have the power to bring the House back before Monday.

So I do not see how we can resolve the difference between the Gramm-Rudman amendment and the House substitute tonight, because the House is not here to resolve it with us.

It is all right with me either to vote on the 5-day extension or not. As far as I am concerned, if the leadership wants to vote on it, fine, we will vote on it. If they do not want to vote on it, that is all right, too.

But I really do not see any point in us staying here until late hours tonight. I just do not think that we are going to achieve anything at all.

We have nobody to do business with. It takes two to tango, and one has gone.

So I hope that, after those who would like to express their views have managed to do so, we would make our plans to go home tonight. I do not see that we are going to conclude this issue tonight. It will be all right with me if we can, but it does not seem to be in the cards.

I do not see much point in keeping Senators late on a Friday night when this is something that will have to be resolved next week. Does the Senator agree with that? What is his attitude about that?

Mr. GRAMM. Let me say to the distinguished Senator from Louisiana that, unfortunately, he is talking to a private in the army. I have no authority on these matters. I am just here to talk about what is in this deficit package.

Mr. ARMSTRONG. Will the Senator yield for a different but related question?

Mr. GRAMM. Yes.

Mr. ARMSTRONG. Could the Senator confide to us what on Earth the House was thinking about when they adjourned?

Mr. GRAMM. I think it is clear that the House hoped to put us in a very difficult position.

Mr. ARMSTRONG. Surely, they did not attempt that. [Laughter.]

Mr. GRAMM. By a fraudulent proposal and then passing a 5-day debt ceiling and then breaking and running to commingle with the traffic and the working people of the Nation, whom they tried to victimize here. I think their clear effort was to try to put us in a very difficult position.

Mr. ARMSTRONG. If the Senator will yield further, I, of course, have no way to know whether or not his suspicions are well founded, although they sound well founded, do they not?

But I would suggest that Members of the House may find that tactic is going to backfire, because over the weekend somebody is liable to find out what is in that package they voted for. And I am going to guess that the people in the House who voted for this package could be mighty uncomfortable when the truth begins to seep out, because it is not a very attractive proposition. It may have looked attractive politically to do so this afternoon, but I will guess by Monday morning when the impact of this becomes clear, that they will begin to scramble around to try to change that position.

Mr. GRAMM. If I might note, I think it is relevant to the point the distinguished Senator from Colorado made, as far as I can ascertain, only one person who voted for this budget reduction package voted to adjourn.

Mr. HOLLINGS. Will the Senator yield?

Mr. GRAMM. I am happy to yield to the Senator from South Carolina.

Mr. HOLLINGS. While the leadership is maneuvering and trying to determine what the course of action for the evening is going to be, I would like to make a few remarks. I was not a member of the conference. But I certainly know the intent and the intent here of all of us is to try to get some kind of forced discipline, whereby we would then have a known target to shoot at with respect to reducing these deficits in an orderly and realistic fashion.

We tried the other way. You know it and I know it. I have tried for 5 years to have a budget freeze adopted. I started off again at the beginning of this year with revenues, plus a freeze across the board. We would have held back on COLA's and everything else.

But, having tried that, yes, we now have a precedure that gets into the complexities of the Federal Government, which is somewhat different than our State government, but in a similar way get a certificate from the Comptroller that the expenditures were within the revenues and, if not, you would cut, sequester, whatever, in an even fashion across the board.

Now, the Senate did a masterful job. There have been some improvements.

The distinguished Senator from Oregon has pointed them out in a very cogent fashion.

But, it is quite obvious to me that the House is trying to play a game here and they are not going to get by with it. They ought to be ashamed of themselves. They know better.

I went over to my Democratic colleagues on the House side 3 days before we enacted the Gramm-Hollings-Rudman measure on the Senate side. We had some leaders there. We had my friend, the distinguished Congressman, DAVID OBEY, plus LEON PANETTA, and many members from the Budget Committee. There were 65 to 70 Democratic Members. I told them that our efforts were to try to propound a realistic, workable, balanced, impartial discipline. If they could improve on the realism or the impartiality, fine business, we had no particular pride of authorship and we were all working a new ground and a new area.

But many of those opposing us have launched onto a program first of lining up all the interest groups on the outside, which they did, saying, "You have cut me, you have cut me, you have cut me," and we proved to them, rather than cutting, we had given them a $20 billion cushion, which was intentional. It was intended not to put us in an impossible position this fall because we had not played, as we said in the original debate, with real bullets when we adopted the budget resolution in August and, knowing that, we began adjusting.

We first ran up the $171.9 billion deficit to $180 billion. We then ran the 5-percent procedure for statistically significant measurement up to 7 percent and then we ran the period of time to balance the budget from 5 years to 6 years.

We kept giving. To keep what? To keep who? To keep us on board, to get our votes, so that you could not say we were cutting; that we were giving you a realistic proposition where you would not have to pull this kind of charade of going out here in the next 30 days and cutting—my friend from Texas says $40 billion, I say about $30 billion at least. Be that as it may, if it runs $192 billion and you have to cut back to $161 billion you have to cut $30 billion, you have to get $20 billion out of defense and $10 billion out of education, and then we will see the education people write the letters.

I have been legislating for 35 years. I did not start last year. So I know that budget.

But they have the distinguished Senator from Vermont now asking the questions because the letters are all flowing in—and there must be some truth to it, because the House has voted it. That is exactly right, yes, it would have to cut the heck out of education. No one intended that. We intended a rational, impartial, realistic kind of discipline to keep us all on board. We kept the President in with the revenues, making them optional and not mandatory, because the President was not going to be mandated to raise revenues. We kept TIP O'NEILL and a certain group on board, I thought, by doing away with Social Security. We have heard that for 5 years, so no use getting into that argument.

But we were keeping all of us on board by giving us something that was real and plausible and could be done. Now the House, having tried the tactic originally and found out that we made it realistic and workable, they said, "We are going to make this unrealistic, unworkable, and outrageous nonsense and an absolute sham."

The Senator from New Hampshire is exactly right. No one should hesitate—the Washington Post is not a newspaper. It is a conspiracy. I could not get an article in there to make sense on this budget item, what we were doing in here in this Congress, to save my life. You never have seen it written. Hobart Rowen? Where in the world is that fellow about destroying Government? He destroys the truth. We wanted truth in budgeting.

What we were going to say is, "Look, the game is over. We are going to speak the truth to the American people. And when we pass a budget, it is going to be the truth and we are all going to be on notice."

There is not going to be, I say to the Senator from Florida, a $30 billion cut on Medicare of the $50 billion sequester indicated in your letter. Where is that letter?

Here is what the Senator from Florida says. He joins in the game. "For instance, under the $50 billion sequester order,"—who in the world is talking about a $50 billion sequester order? Nobody. We are talking about a 1-percent to 2-percent sequester. We know if we do not do our duties, if it goes over the 5-percent trigger, that it is going to be that kind of a cut, which is not going to be any $50 billion out of anything. It will be $5 billion to $10 billion. If we run over $50 billion, we will never have passed a budget.

So, there is no use to use these wild examples here about Medicaid or about $50 billion. We know that we are going to have to reduce it by $36 billion from fiscal year 1986 to fiscal year 1987 and we put on notice that the President has got to submit that kind of budget.

As the Senator from Texas said, it has to be done now. The President is working on that budget. He sees the 1986 limits.

Mr. President, I will be glad to yield to the Senator from Oregon.

Mr. PACKWOOD. No; go ahead. I want to make a point. The Senator is doing fine.

Mr. HOLLINGS. Mr. President, the President is going to have to look at every one of these appropriation bills, and see that they come in under this particular budget. But to run pell-mell down the road, and talk about a $50 billion sequester order means that we did not pay any attention to the law under the discipline, and we did not do anything.

I can see—yes—a man of goodwill get to $5 billion to $10 billion over, but not $50 billion.

Mr. PACKWOOD. Mr. President, if the Senator will yield, he is absolutely right. Under the provisions, let us assume for round figure purposes a total budget of $1 trillion. About one half of it will be exempt under the provision. We have $500 billion.

Mr. HOLLINGS. That is right.

Mr. PACKWOOD. If by chance we end up $10 billion or $15 billion short, we are talking about a relatively, slightly 1, or 2 percent.

Mr. HOLLINGS. Two percent. That is right.

Mr. PACKWOOD. Anybody's figures—CBO or OMB or anyone else—that appear to be in the neighborhood we are in——

Mr. HOLLINGS. That is right. That is where we will be, at best. We can make those misjudgments, and miscalculations. We are going to make them better. We have exceeded the budget resolution by an average of $28 billion and that is the average without any discipline. We have exceeded on average $28 billion over the budget that we actually predicted for 1985, 1984, 1983, 1982, and 1981—that is the track record with no discipline.

How are you going to run over $50 billion with the discipline? The whole idea is to make a half-truth in budgeting.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. CHILES. I am stepping off the floor for a moment. If the Senator would like to whip me a little more, I will come back.

Mr. HOLLINGS. I will give the truth. I am not going to join the game. The Senator voted against this. He is not for it. I would like to have been on the conference committee. They did not put me on it. They put the opposition on—the minority. I am not whipping them. I am tired of this nonsense going on.

It is Friday night. We are serious people. We have work to do. I hope that the House will cut out the charade. They know what they are doing. They are trying to give an overload, and sink this. The President of the United States would not sign it. A House Member would not sign this nonsense.

Mr. RUDMAN. Mr. President, will the Senator yield?

Mr. HOLLINGS. Yes.

Mr. RUDMAN. Mr. President, I got here about 5 minutes after the Senator started speaking.

Has the Senator from South Carolina looked at the provision that the House has drafted as to how it will estimate the numbers—the CBO only provision? Has the Senator looked at that?

Mr. HOLLINGS. I know generally speaking about the CBO. I think the Senator from Oregon has made an important point. We are all talking about CBO, OMB, and everything else. We have the GAO. It is an executive body. It can make orders.

I am not worried. I do not think we ought to spend another 2 days and nights running over all of those little things. It is obvious that they had no idea of actually going along with any kind of fiscal discipline in that House vote. What they wanted to do was rewrite a budget.

We are not rewriting the budget. I can list all of the programs which I would like to take off. Do you know what I mean?

Mr. RUDMAN. Mr. President, will the Senator yield for one last question?

Mr. HOLLINGS. Give it all to defense. I might list all of defense, and put it all on something else.

Mr. RUDMAN. Mr. President, I have to leave the floor before the Senator can finish. Am I fair in concluding that the Senator from South Carolina does not like the House plan?

Mr. HOLLINGS. Look, I do not like the House charade and nonsense, and strategy here because they are not acting in good faith. They know that no one is going to accept this. They know it. After 1 week of debate, and reading it in the local newspapers they think they have done something sensible. That is the bad part of this life up here.

Nobody would accept that. You could not get away with this in the city hall. You could not get down the front steps. If you were in the State house, you would never get home safe. You would need the Secret Service. But up here you can get away with this nonsense.

It is terrible to have this thing go on and on after having to go through it line by line, and item by item. In a general sense, I will get into it later because I have it listed down, if the people want to argue the different points. This is an outrageous sham.

It should not be debated long. The Senator from Oregon has given a very cogent and very understandable explanation—better than any of us could have. He understands it. He has a grasp of it. He has given a fair assessment.

If the body wants to vote Medicare, put it in category I, and let them do it. The world is not going to end over that.

But to give these extreme examples in order to make your point is just puffing their gills over there. They are engaged in the game. It is a political game they have going. We know it is not going to be done unless it is bipartisan.

We are not going to solve the people's problem in this land on this deficit unless it is bipartisan, and democratic, Senator, we are never going to get back in the majority until we start acting with some kind of sense of responsibility on the economic welfare of the United States.

We are just off base on a spend-and-spend proposition. We will not face up to any blooming discipline. They all act, and wonder why. They put if off to the great communicator. It is not the great communicator. It is what we have been communicating that keeps us in this minority. The quicker we understand it, the quicker we will understand that we are cutting our own programs year in and year out. We have been doing it.

Next year, we will vote, if we do not act and do not do anything, $25 billion, or 3 percent real growth in defense, and $30 billion more on interest costs. That is $55 billion; $15 billion on health is $70 billion; another $15 billion—well, it is already $16 billion this year on COLA's in an election year. So you have $20 billion there. That is $90 billion. So you are looking for $90 billion more.

That is where we are headed on down the stream.

How do you get it to no revenues in an election year? Get that House list. We have to cut.

They have been cutting their own throats, and they do not even understand it. That has been happening for 5 years. I am getting tired of their stupidity.

Mr. PACKWOOD. Mr. President, if the Senator will yield, in the conference when the first House offer was tentatively suggested, they put the poverty programs, and almost all of those programs not on the list, the COLA's—they put it in with Social Security. They could not touch it at all; $70 billion was put off limits in addition to everything else.

Mr. HOLLINGS. Mr. President, their idea was to rewrite the budget. We never had that in mind.

Mr. PACKWOOD. What was left was that we could sequester the MX. That was the sum total of what was left.

Mr. GRAMM. Mr. President, will the Senator yield?

Mr. HOLLINGS. I am delighted to yield.

Mr. GRAMM. Mr. President, today to get the votes they needed to pass their sham package they exempted the MX because under this amendment the MX could not be sequestered because they do not allow contracts to be sequestered.

Mr. HOLLINGS. That is what the news media ought to be writing. We never did try to rewrite the budget. I did not like the budget we passed. I was taking this budget—or any year's budget—and it really was like we were talking about a 1-percent or 2-percent overage in the deficit with a forced discipline where we all have to quit playing tricks on the American public about what a great job we did, how we saved programs, and how we also cut back on the deficit.

Yet it continues to go up, to $212 billion where it is now. It is just wrong. We know it.

All of this trade and farm deficit, and all our troubles go back to this irresponsibility. They like to write these clever articles about how we are cutting all of the things and everything else. We have not cut anything. The whole intent is not to trigger anything right now, but frankly to get the votes to get some kind of a set discipline so we will all know and understand. We are playing for real.

But they do not want to allow that. They think it is a one-upmanship to save certain social programs, or whatever they are bent on. They have no idea of discipline whatsoever.

They will bring down the Republic. Economically we are in deep trouble.

I hope we will act a little more seriously about it, and this particular House proposal coming over.

Mr. DOMENICI. Mr. President, will the Senator yield? I will share an observation with the Senator.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Thank you, Mr. President.

I want to compliment the distinguished Senator. He got right to the heart of it.

You know, we are sitting there, the chairman, Senator PACKWOOD and I wondering. Can they be serious talking about $161 billion as the trigger?

We had one of our conferences, and the distinguished Senator from Louisiana also gets right to the heart of things. I can remember him sitting there. He said, well, maybe we just ought to do it ourselves.

Well, we changed the subject and went on to something else.

I was telling the chairman, "Do you know what we ought to suggest here this afternoon? They want $161 billion, now, with 2½ months left in the year. We have almost finished everything. We have done almost all the damage we can do. Maybe we ought to suggest we ought to do it ourselves."

So we brought up the subject, why not have a reconciliation bill, a new

one, and let the Congress find that $30 billion? Why do we go through here and cut all the programs? We will all be mad at the President, worrying about him abusing his discretion. What can he do under theirs, when they take everything off budget and tell him to save $31 billion?

They have left on about $300 billion out of $1 trillion, and they already start with the known fact that he has to sequester the $31 billion. That is more than 10 percent across the board.

All that is left in there are the middle-class programs for all middle-class America. Research for cancer, education—they will be clobbered. And defense? Clobber it good. They even took out MX. They do not want contracts in there.

You can get rid of all the O&M, all the ammunition, and everything else.

And they run around the country touting they did a magnificent job. They are saving $31 billion.

To top it off, they wrote in a constitutional provision. They wrote in a provision for sequestering with the CBO as the only operative factor and had a legal opinion saying that is one that is illegal. They wrote it in there and then they said, "If that goes to court, that new provision," and they had a Harvard professor, I believe——

Mr. PACKWOOD. The Harvard professor said that that process was unconstitutional.

Mr. DOMENICI. They wrote in that if it was unconstitutional, the whole bill falls.

I cannot really believe they were serious.

Nonetheless, let me suggest that clearly the idea of setting ourselves on a path where we are going to get to $144 billion next year and another $36 billion more, and we have 9 months to take care of this, the Senator is absolutely right. We should not be sequestering 10 percent, but we will have a hard time getting to the $144 billion. If we wanted to sequester 10 percent over there in 1987, then we will have admitted we could not do the job.

Mr. PACKWOOD. Is it not basically this situation in the House: first they say, "This is a terrible process. We are going to give this to the President, with absolute unfettered discretion. It is an awful thing, an irresponsible way to govern. But if we are going to do it, let us do it bigger and faster."

Mr. DOMENICI. That is right. It is terrible. It is the worst thing we have ever had. It is probably unconstitutional.

"We are going to make sure that it is unconstitutional, but we can tell the people of America, we did this magnificent job for you and we will save the country."

We have produced a pretty good job with amendments and the work of bipartisan Senators and 2 weeks of hearings. We got some very good amendments. Clearly our bill can be executed, it can be carried out and we will know what we are doing.

If people do not want Medicare in category 2, let us vote.

If they do not want AFDC in, let us vote.

If they do not want some of the others, let us vote and get off with the idea of whether we want it or not.

I guarantee you there will be a sequestering this year because we cannot get the number down. We did not cut very much this year and besides we will lose about $8 billion in taxes that we assumed. We will have to sequester.

We are hopeful we will bring a responsible number in here with a responsible triggering mechanism and the rest of the process for 5 years left intact with us having 9 months to carry out our own work and do what we want.

In that 9 months, the only thing off the table is Social Security, for all intents and purposes. There is a long list of trust fund items but basically that is all. We have the rest which, from my standpoint, should go in.

I voted to put it all in, but clearly the House asked us once or twice what about Social Security and we said we took it out. They said, "Why?" We should have said, "We took it out because of you," but we did not tell them that. We were more generous. We should have said, "It was politics."

The answer was, "We put it in once but we got beaten under the oak tree. We saw you with the President. We do not want more oak trees. If the President wants it back in, let him send a message. If you want it in, make a motion."

They did not make a motion. They did not even wiggle, much less made a motion. So we are stuck.

But we do have a good bill.

I really think it is also constitutional. That may scare some of them. I think it is constitutional because we really did some work. We got some expert advice.

In our proposal with CBO and OMB going to GAO for certification, that is unconstitutional? We do not think it is but if it is, we said, "OK, we will not let the Congress certify."

That is clearly constitutional.

So anybody who voted for this tonight contrary to all those people voting in the House, they are voting for it and it is going to be carried out. Those people can vote for it and say, "We have cut the budget" and go into the backroom and say, "There is no way it can be carried out because it was unconstitutional."

They could have gotten $150 billion in savings knowing they produced an unconstitutional bill. Ours is constitutional.

Mr. GORTON. Will the Senator yield?

Mr. DOMENICI. I do not have the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. METZENBAUM. I thought he yielded the floor.

Mr. DOMENICI. I do not need the floor. I am pleased to yield.

Mr. METZENBAUM. I wanted to ask you to yield for some questions.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. METZENBAUM. The rules provide that the first person on his feet is entitled to recognition unless it is the majority leader or the minority leader. Those are the rules. Let us stay with them.

The PRESIDING OFFICER. The rule is that it is at the discretion of the Chair.

The Senator is out of order. The Senator from New Mexico has the floor unless he yields it.

Mr. METZENBAUM. The Senator said he yielded the floor.

Mr. DOMENICI. Mr. President, I retain the floor.

Mr. METZENBAUM. I raise the point of order that he cannot retain the floor after he has yielded.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. DOMENICI. I yielded the floor and then I sought recognition before the Chair recognized the Senator from Ohio. I thank the chairman for following the rules of the Senate but I do not need the floor so I yield the floor.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. I thank the Chair. This debate has been rather one-sided because everyone who has spoken so far has been on one side of the issue. It sounds to me as if there is a lot of anguish on the side of those who support the Gramm-Rudman approach because I think the House has done a good job. The House has done what you say you want to do, to cut the deficit. The problem is that the Gramm-Rudman proposition wants to cut the deficit, but not now. It wants to cut it sometime off in the future.

Basically, in the view of this Senator, the Gramm-Rudman crowd wants to try to sneak past the next election, if possible.

What has happened is that the House today really called your cards on that. They said, "All right, let us cut the budget. Let us get the deficits down. Let us do it on a somewhat different basis, a different kind of pattern," and I think a much better pattern for cutting.

The House said, "Let us do it now."

All of a sudden, those big budget cutters on the other side of the aisle do not like the idea of cutting the budget so much if it has to be done right now. It was interesting the other day when Professor Modigliani testified on this issue. Here is a man in his sixties who has studied economics for decades now, and is now recognized as being the No. 1 economist, at least according to the Nobel Committee at the present time, in the entire world.

He came forward and said what needs to happen right now is exactly what the House has done, that we need a big deficit reduction and we need it now.

He talked in terms of cutting the deficit in half, cutting it from roughly $200 to $100 billion and doing it right now, rather than pushing the responsibility off to past the next election or pushing the unpaid bills off on our children and grandchildren.

I think he is right. I think the problem is now, not in the future. He is not the only one saying that. Paul Volcker is saying it. The entire business community is saying it. Most respected conservative economists are saying it.

Virtually everybody who studied this problem at any length is saying it is time to cut these deficits.

It is very interesting what the professional opinions are that have come back in from people out there who study these issues.

Take James Kilpatrick as a case in point, hardly a person that you would call a liberal. This is what he has had to say about the Gramm-Rudman package, which is what the House, I think very wisely, took, changed, and improved and made real rather than political as it was in terms of pushing the problem off in the future.

What James Kilpatrick said was—this is referring specifically to the Gramm-Rudman bill:

> The pending deficit reduction bill is monumentally stupid. It probably is unconstitutional. If it can be made to work at all, it will work gross inequities. And its potential impact upon national defense is nothing short of catastrophic.

That is very interesting, coming from James Kilpatrick. He goes on to call it "reckless and irresponsible legislation." In a fairly lengthy piece, he goes on to explain why he feels that way.

But he is not the only person who feels that way. We have had people ranging from columnist George Will to any number of other people who would be seen as conservatives or people who are very concerned about the fiscal condition of the country, pointing up the obvious shortcomings of Gramm-Rudman. Time and time again, what they have said is that basically, it is a political device; it is an effort to sneak past the next election, it is an incumbent's protection bill. It is basically designed to take the Republican Senate off the hook on the big deficit problem until the next election is over.

That is why everybody has come back and said, "If you are serious about this, do it now; let us do the cutting today."

What is so interesting to me is I heard all of these cries of alarm coming from all these great big deficit cutters; why? Because the House has said, OK, let us do it; in fact, let us go even further than you have talked about going.

You know what has happened, Mr. President? Now everybody has changed their tune. Now people do not want to cut the deficit. They like it when it is a concept. They like it when it is in the future. I am not surprised that President Reagan likes the Gramm-Rudman proposal, because it says we will balance the budget, but not now; not during his term of office. We will get it done in 1991, 3 years after President Reagan leaves office.

And you know, you cannot help but remember, if you go back to 1980, when the President was elected, he was elected in very large part on the notion that he was going to come in to balance the budget. Well, of course, that has not happened. It is more out of balance than it has ever been. The national debt has doubled.

Now we have a plan here where we are going to balance the budget, only we are not going to do it: not this Congress, not the next Congress; in fact, not even the Congress after that.

We are going to get the job done in 1991.

That has been the story since 1980. That is always push it off into the future, we will do it some other time, we cannot do it now, it is too hard to do it now.

It seems to me that what the big cutters here ought to do and the big deficit reducers ought to do is let us pass the House bill tonight. Let us pass it. If you are interested in reducing the deficits, if you are serious about it and you think they are bluffing, you should call their bluff. They just called your bluff.

So there is a lot of squawking going on around here, but I do not see anybody standing up and saying, "You know, they have done us one better. Let us go right ahead and do it; let us get into this big deficit cutting right away and let us get it done; let us get it done before the next election."

Then it seems to me the Republican Senate would have an issue they could take to the country. They could say we have really bitten into this problem, we have really cut the deficit, we have cut it in half.

I would say to my friends on the other side of the aisle that the cold, hard fact of the matter is you do not want to cut it in half. Not now. You would like to cut it in the future, you would like to balance the budget sometime in the next decade. You would like to see the next President that follows this one get the job done but you do not want to strap it on yourselves and you do not want to strap it on this administration.

That is what is going on here, Mr. President. But nobody is fooled by that. Not the people who pay attention around the country. I have editorial after editorial from newspapers around the country. I was told of one today from Nebraska, one of the most conservative newspapers in the country, a very traditional newspaper. They have come out strongly against the original Gramm-Rudman proposal because they see it for what it is; that is, a kind of fraud in the sense that it postpones the day of reckoning because it wants to sneak past this next election. They see that for what it is and say, if you want to do something about the deficit, do it now.

What the House did today was take that step. My hat is off to the House. It was not easy to put that package together as quickly as they did, especially when this thing came along without any hearings in the Senate, not a single day of hearings in the Senate on it before it was unveiled on the Senate floor. So in the short time they had to work on it, they produced, I think, a very sound proposal.

Is it tough? You bet your life it is tough. Does it have pain? It has all the pain I ever heard any Republican Senator say he wanted to have. In fact, the problem is it has more reality than they want to see. They like pain until the pain is there. They like pain a year from now or a little longer than a year from now, just as long as it is past November 1986. That is when they want the pain. They want the pain of what it takes to get to the balanced budget not any time soon, but 6 years from now, when we have a new President.

So it seems to me the House has done exactly what it should have done today. That is, they have taken real action on the deficit issue. They have done some real bullet-biting over there and sent it back over here. All of sudden everybody here who has been posturing on this issue for a very long time is in a very uncomfortable position. So I hope those who say they want to see a deep deficit reduction would call the House bill up. Let us enact it. Let us start cutting now.

You say it is tough. It is tough. It is very tough. But everybody that I have talked to in the financial markets say that is the kind of medicine that is needed. They are not saying do it a year from now or 5 or 6 years from now. They are saying do it today. So we have an opportunity to do that now.

I hope that we would not pass it up. I hope that we would take the advice

of everybody from James Kilpatrick to Tom Wicker to George Will to the newspaper out in Nebraska to Hobart Rowen and any number of other people who have written about it in recent days and really do the job.

Let me say one other thing before I yield to the floor. That is that there was a lot of talk in here a while ago about whether or not Gramm-Rudman as it was devised is better or more favorable to veterans and veterans' programs than what the House did today. I can tell you I think the record will show that the people who are most sensitive on the veterans' program historically over the years in the House of Representatives voted for this package today because the package voted in the House does a better job of looking after veterans' programs than does the Gramm-Rudman proposal. The way to check that out is to take all the programs that effect veterans, all of them, then try to examine percentagewise which package, the House package or Gramm-Rudman as it passed the Senate, does a better job of meeting the commitments we have made to our service men and women over the years. These are people from World War II, the Korean war, the Vietnam war and other periods, to whom commitments were made, not only in terms of health services and VA loans, but also in terms of pensions that have been earned, disability benefits, and the whole range of veterans' programs.

I think the record will show that the House package, taken as a whole, does a better job of protecting more veterans' programs than does Gramm-Rudman. If not, we will have a chance to vote on it. I think that would be a good one for us to vote on. So if we end up passing Gramm-Rudman in some other form tonight. I hope we can have an opportunity to vote on a package that would in fact take care of the veterans.

I just add one other thing. That is citing some of the editorial comment, one of the most interesting comments I saw was in the Wall Street Journal. You would have assumed on the face of it that the Wall Street Journal would have thought Gramm-Rudman was a great idea, a great package. That is not their view.

They have editorialized against it. One of the things that they are concerned about is that it does not bite into the deficit problem deep enough soon enough.

Well, we have the chance to do that now because the House has taken this matter and they have developed something that will get the job done. I say to my friends on the other side of the aisle, here is your chance. You have talked for a long time about deficit reduction. You have got virtually every economist in the country saying that this is the magnitude of the cuts that are needed now and now you are the ones arguing for delay. You are saying it is too late in the fiscal year now; we cannot do it now; it does not have anything to do with the 1986 election.

Well, you can do it now if you want to, if you are serious about it, if it is not just a political ploy. You can do it now, and the American people would appreciate having it done now.

I yield the floor.

INCREASE THE PERMANENT PUBLIC DEBT LIMIT—CONFERENCE REPORT

Mr. PACKWOOD. Mr. President, there is a conference report at the desk to accompany House Joint Resolution 372, the debt limit extension, and I ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislation clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt, having met, after full and free conference, have been unable to agree.

Mr. PACKWOOD. Mr. President, I move the adoption of the conference report.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BYRD. Mr. President, the conference report is presently before the Senate, is it not?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. The conference report is debatable.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Whether the Senate votes up or votes down the conference report does not really make a lot of difference, because the conference report is just an empty shell. Is that correct?

The PRESIDING OFFICER. That is the procedural effect.

Mr. BYRD. So what really counts here are the amendments in disagreement. That is where the Senate will have to make its decisions. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Would it take unanimous consent to get the short-term extension before the Senate?

The PRESIDING OFFICER. Unanimous consent would be required.

Mr. BYRD. That would be required in any case, whether the conference report was before the Senate or not. Am I correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Because there is a 1-day rule. This is also a bill that has come from the House but has not been read three times, and has not been on the calendar 1 legislative day. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. So the only option that the distinguished majority leader has is to stay on the conference report, vote it up or down, then go to the amendments in disagreement, and those are House amendments, and thus they are both amendable and debatable. Am I correct?

The PRESIDING OFFICER. Those amendments are debatable and amendable.

Mr. BYRD. And they are each amendable in two degrees.

The PRESIDING OFFICER. The minority leader is correct.

Mr. BYRD. So, Mr. President, this is an option for the distinguished majority leader, and it is for him to decide. That is to get unanimous consent to take up the short-term extension. May I say that I urge the distinguished majority leader to do this. I would hope that he would consider carefully this option. The reasons why we should do this are these:

First of all, there is the House amendment to the Gramm amendment and that amendment I speak of in the singular, but it could very well be a multiple amendment. I have not looked at it. I assume it will be.

The distinguished Senator from Florida was not furnished a copy of the proposed amendment by the other side, am I correct, or was it the copy of the House amendment? He was not supplied that until just an hour and a half ago.

Mr. CHILES. 6:30 p.m.

Mr. BYRD. We do not know what is in it.

We are all Senators. I can only speak for one. I have an obligation to vote up or down on issues here. If I do not vote up or down, the Senate can, under the rules require, me to state why.

I have never voted "present" in my 27 years in the Senate.

But we can ease the concerns and the worries of the elderly people of this country by passing the short-term extension this evening. The House has gone out. The House will not be back in until noon on Monday. It just does

not make sense for us to stand here and tell the Senate that it has no alternative but to act on the Gramm amendment or the House amendment to the Gramm amendment tonight.

I hope we are not going to let outselves be stampeded or intimidated into voting on that matter tonight or as far as this Senator is concerned until tomorrow or Monday, or whatever, until we at least have some better understanding of what it is all about and also what the Republican amendment thereto will contain. We on our side have not seen the Republican amendment yet, except for Mr. CHILES, and it was given to him only an hour and a half ago.

In the meantime, we do not have to have the old folks all over this country scared about disinvesting the Social Security Trust Fund surpluses which have been invested in Government securities. We do not have to do that because we have a short-term extension that has been sent over here by the House. That is the instrument whereby we can relieve all of those people of those worries and assure them that the Government is not going to disinvest the Social Security Trust Funds. We can do that here in the next 10 minutes if the Senate wants to do it. There is nothing difficult about that. Everyone can understand that.

Then that will give us a little time, 5 days—that is not unreasonable, in view of the fact that we have a brand new bill here, one might say.

But under the pressure of this deadline which is nearing, we are expected to close our eyes and vote blindly on something that we haven't seen and do not understand, and I do not propose to do that.

This is not a threat to the distinguished majority leader. But we just are not going to vote, as far as this Senator is concerned, on the Republican amendments to House amendments tonight.

I hope that the distinguished majority leader—if he wants to stay here a while and debate this, that is fine—but at some point before daylight tomorrow morning, actually before midnight tonight, at some point I hope he will call up that short-term extension sent over by the House and vote on it. So we will not have all the Halloween stories, the scary stories and the horror stories as to what will happen if we do not vote on Gramm-Rudman tonight.

Surely it is not asking too much to allow Senators a few days, 3 or 4 or 5, to debate amendments to Gramm-Rudman. Passage of the short-term extension at this time would resolve the immediate problem and, at the same time, give us a few days in which to act on the amendments in disagreement.

I am not going to be stampeded, Mr. President. I do not care what threats are made to keep the Senate in all night.

This is one Senator who has never been intimidated, and I do not intend, at the age of 68, to start being intimidated.

I know a little something about conference reports, what can be done, what cannot be done, what can be done on amendments in disagreement. We just do not have to swallow this hook, line and sinker, without some debate. I want to know what is in this bill.

In the meantime we do not have to hold this sword of Damocles over the Senate and say the old folks are going to be out, we are going to start taking their money, we are going to disinvest the invested moneys; if we do not pass the Gramm-Rudman package all these things are going to happen. That is baloney.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. BYRD. Not yet.

That is baloney. I say this with due respect to the majority leader. He has a tough job. I know. He is not the master of his ship. He is the servant of all those who elected him. That is the same way with this Senator.

But each of us still retains his rights, his prerogatives, and answers to his responsibilities and duties as a Senator.

So, whatever the distinguished majority leader and the majority party wish to decide, that is up to them, but this Senator, if anyone thinks the Senate is going to pass this thing tonight, forget it. The House is out. Why should the Senate be asked to pass this package tonight? If we amend it, the House cannot do anything about it until Monday. They are not back in until noon Monday. Why the rush on this?

Mr. President, I hope that I have not offended the distinguished majority leader. I am simply stating what I think is the fair thing to do, and the reasonable thing to do, and the thing that we can do to put the minds of the old folks and everyone else at rest. We can get a little rest over the weekend and have an opportunity to study this matter before we cast our votes thereon.

So in the meantime let us pass the short-term extension, and come back on Monday better prepared to act on the larger measure.

Mr. DOLE. Mr. President, I appreciate the comments of the distinguished minority leader, and I do not quarrel with any of the statements with reference to what can and cannot be done with a conference report.

But we find ourselves with the House just taking off Friday afternoon. They have only been in session six Fridays this year. They adjourned by a vote of 207 to 194.

They passed a little 5-day extension and said, well, we will just dump it back in the lap of the Senate. We will go home. We will adjourn until Monday, and we will at least leave the Senate there to worry about it.

It is obvious if the minority leader does not want to pass the conference report, we will not pass the conference report. I do not quarrel with those who think they ought to have a right to look at it. And it has not been made available. I do not quarrel with that.

I think the Senator from Florida got it about the earliest. We did not know what they were going to pass in the House. That was one of the problems, but I assume I will be available.

So I do not suggest—I think I did say at one time do not read it, just vote for it.

But now that we are in the home stretch maybe you ought to take a look at it.

But in any event, I am not certain I can pass any 5-day extension. The minority leader properly reflected the role of the majority leader or the minority leader. It would take unanimous consent to get it up.

Perhaps the better part of wisdom would be to agree to vote on this conference report, say, at 2 o'clock on Tuesday. That would give everyone a weekend to look at it, debate it on Monday, debate it Tuesday morning, vote at 2 o'clock and we could go home here very quickly.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. CHILES. If an arrangement like that can be made, would it make sense to, as part of that arrangement, agree to extend the debt ceiling? Is there some reason that we want to cause a divestiture of the trust funds?

The House has now passed the budget deficit reduction plan. That is kind of new. That is the first time, in effect, they have done that, but they have done that.

They have sent that to the Senate with the deficit reduction plan. Obviously, we have to go to conference with the House, regardless of what we do here unless we want to take up their plan and pass it as it is, and I do not think the majority leader is suggesting that. If we could come to some kind of a time agreement, should we not at the same time have this temporary extension? Then it seems to me that allows the senior citizens and the people not to be concerned.

It makes us look like we are more prudent, that we are not costing any money out of those trust funds.

I have looked at the last page of the plan now. I have not had a chance to read it all, but I noticed on the last page you are now talking about the same thing that the House talked about, the same thing Senator RIEGLE has been talking about for days, that we ought to pay back the trust fund

for the invasions that have taken place to date and for any that take place in the future. But, knowing we are doing that, should we not incur that expense? I do not think it makes us look very good as a legislative body to do that if we can pass the temporary debt ceiling. I think we might shop on our side and come up with some reply to the Senator's unanimous-consent request.

I better yield to the minority leader on that.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. Mr. President, let us go ahead and vote on the conference report, vote it up or down. That is a shell. We can do that right now, so that the majority leader will have his conference report.

The key questions arise when we get to the amendments in disagreement. Voting on the conference report is nothing. Let us vote it up or down. Then let us pass the extension. Maybe we can work out some agreement on the rest.

Mr. CHILES. I do not think there is anybody on our side who wants any unreasonable delay. It sounds like Tuesday afternoon is a very fair time, as far as this Senator is concerned.

Mr. DOLE. As I understand it, the one amendment in disagreement really is not a problem and the other amendment in disagreement is Gramm-Rudman, as modified. And that is the part, I believe, that Senators properly want to reflect on on both sides, even though I am certain that those who are conferees probably know pretty much about every provision. They were there, but they were only 9 out of 100.

So maybe what I would suggest is that we see if we cannot reach some agreement, but I am not certain, again, about the 5-day extension. I want to check the impact of that first. We do have this provision now in each bill.

Obviously, we do not want to incur an expense if that is not necessary.

Mr. CHILES. I think it just does not make us look very good. We are talking about we are saving money. Why should we incur this expense? If we are going to delay until Tuesday, if we know then we have to go to conference with the House, obviously it is going to take us literally the rest of the 5 days to do that. If we see all of that before us, we do not look like very prudent managers, if seems to me, to say we are going to incur that expense even if we are paying it back.

Mr. DOLE. We had a meeting earlier, a number of us on our side, and indicated if we passed the conference report and the amendments in disagreement were disposed of, then we might be willing to pass the extension. Now it is obvious that we are not going to complete that. The distinguished minority leader said we are not going to vote tonight. If he says that, he can prevent that.

But, I think in the interest of trying to achieve some accommodation that is realistic, we might want to be prepared to do that if we had an agreement when we were going to vote on the matter we are discussing now. But just to leave that open does not have any appeal to me.

Mr. CHILES. I wonder if we should not have a quorum call and have a chance to sit down to see if something like that could be worked out.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. DOLE. Yes.

Mr. BYRD. The distinguished majority leader understands, that I will do everything I can to reach some kind of a time agreement on the amendments in disagreement so we may vote on them, vote on the amendment that the majority leader probably will offer for the other side, and any amendments that Senators may wish to offer on this side. In the meantime, get unanimous consent and pass the 5-day extension, and give ourselves an opportunity to study what is in this measure over the weekend.

Mr. DOLE. Mr. President, let me suggest that we have a quorum call and let the principals—Senator CHILES, Senator DOMENICI, Senator PACKWOOD, Senator LONG—see if they can suggest some agreement. I know there are some on my side—I have had a brief discussion with one of the authors of the bill.

Mr. GRAMM. Will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. GRAMM. I would like to suggest there may be another alternative. I think the House passed a sham bill and ran off into the country. I would like to suggest we stay here tonight, that we debate this issue as long as there is anybody here that really wants to know what is in it—basically very little has changed from when we passed it from the conference—and that we have the President use his constitutional powers to call the House back into session tomorrow morning and let the House come back and deal with this crisis. Let us adopt our bill tonight, send it back over to them, let them meet in the morning, and let us deal with the problem this weekend.

The distinguished majority leader made the point that this is the first time they have seen it dark in Washington on a Friday this year. I think the American people are concerned about this problem. I think the American people want it dealt with.

I am willing to be here tomorrow and I am willing, quite frankly, to stay here all night, as long as there is anybody who wants to know what is in this bill, and I am willing to call on the President to call the House back into session tomorrow and let us get on with the people's business.

I am distressed that we had the House try to foist off a sham that clearly represents an attempt to derail a process that has the support of the American people and now we have those who do not even want to move forward on our part.

I thank the majority leader.

Mr. DOLE. Mr. President, let me indicate that that was one of the moderates speaking on our side. [Laughter.]

We are trying to keep the hardliners off the floor.

Mr. LEVIN. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. LEVIN. Mr. President, speaking as one of the conferees and one who voted for the package, Gramm-Rudman-Hollings had bipartisan support in the Senate and had a majority of Senators in both parties voting for it. Hopefully, it will stay that way. I think it is healthy to stay that way. It is obvious that the best way for it to stay that way is to follow a course of action similar to one which the Senator from West Virginia, the minority leader; the Senator from Florida, and, indeed, the majority leader himself have been outlining. I think that raises the best prospects of maintaining a bipartisan atmosphere and bipartisan support for an ultimate product.

Mr. DOLE. Mr. President, I certainly do not want to leave any other impression, because there was a majority on each side that supported the initial amendment and we hope to preserve that. That is one reason I am urging this alternative approach.

Mr. CHILES. Mr. President, I just wanted to say to the distinguished majority leader that the meeting we had just prior to breaking up the conference and agreeing to the disagreement, that was an agreeable meeting; we were going to disagree agreeably, because it looked like we were not going to accomplish anything. It was pretty well said that if the House passed either their plan or the Gramm-Rudman plan and sent it over with a short-term extension, that that would be received in the Senate and would attempt to be extended.

Certainly, the chairman of the Finance Committee cannot speak for the Senate, but I think that representation was generally made to the House in the spirit of those who were at that conference. So I think the House had reason to believe that if they passed a plan, either Gramm-Rudman or their own plan, and sent it over with a short-term extension, the Senate would deal with that extension and we would go to conference on that plan.

I think that was what the House felt was the way the game plan was going to go.

Mr. DOLE. I want to thank the distinguished Senator from Florida, along with the Senator from New Mexico, and others for working night and day on this. I certainly do not expect us to trot in here and say OK, everybody vote. But I will suggest the absence of a quorum and hopefully the principals can——

Mr. BOSCHWITZ. Mr. President, will the majority leader yield?

I must tell the majority leader that I feel constrained to object to taking up a 5-day extension because I believe that a 5-day extension will lead to a 4-day extension, and that will lead to another extension.

I think we simply have to deal with it. I am of the same mind of the Senator from Texas. We have to move forward. We have to press forward. The Members know this issue. They can within the next hour or two certainly inform themselves, and be as well informed about it as they will be by next Tuesday. They will go here and there for the weekend, and they are not going to vote in any event. We can come back later, if possible, on Monday. So I am for doing it tonight.

I would object, Mr. Leader, in the event that he wants a 5-day extension.

Mr. DOLE. Let us in any event see if we can. I have to leave the floor right now. I will leave any other discussion. I think we would be better off if we had a quorum call, and let the Members who have a direct interest try to resolve it.

Mr. DOMENICI. Will the leader withhold just a moment?

I want to report to the majority leader with reference to the amendment. We did not get the House amendment which is a full amendment until sometime around 11:30 or 12 o'clock this morning. Even then, we did not get it in its full text. We had to take our amendment that we had introduced in to the conference, and make some modifications to it. It is about 98 percent what we had introduced to the conference, and rejected by the opposition party. We now have 100 copies. The general premise is well outlined and well understood. We welcome inquiries about its details. But there is one on every desk now.

If that will accommodate any unanimous consent which I believe the leader has in mind as he proposed, it is clearly there in full now.

Mr. DOLE. I hope the copies will be distributed.

If we cannot work out anything, we will have all night to debate.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

ADDITIONAL COSPONSOR OF AMENDMENT NO. 934

Mr. CHAFEE. Mr. President, the junior Senator from California, Senator WILSON, wished to be added as a cosponsor to the amendment that I presented this morning. I ask unanimous consent that he be so included.

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

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BOSCHWITZ). Is there objection? Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST

Mr. DOLE. Mr. President, let me indicate to my colleagues who are present that we have had a number of discussions this evening with Republicans, Democrats, Democrats with Democrats, Republicans with Republicans, in an effort to reach some satisfactory conclusion and disposal of House Joint Resolution 372 and also H.R. 3669, the 5-day extension sent to us late this afternoon by the House. I believe we have now reached an agreement. I would hope that those who are not here will understand that we have spent several hours on it and that we believe it is a satisfactory way to dispose of the so-called extension and a number of amendments to House Joint Resolution 372, the debt limitation extension. So let me go through the unanimous-consent agreement and then, if there are questions, I will be happy to respond to questions.

Mr. President, I ask unanimous consent that immediately following entering into the agreement with respect to House Joint Resolution 372, the Senate proceed to the consideration of H.R. 3669, the 5-day extension of the debt limit, and that one amendment be in order to be offered by the chairman of the Finance Committee, Mr. PACKWOOD, to provide for a 5-day extension.

I further ask unanimous consent that once the Senate has disposed of the Packwood amendment, the Senate proceed to third reading and final passage of H.R. 3669 without any intervening action.

I ask unanimous consent that the conference report to accompany House Joint Resolution 372, the debt limit extension, be considered adopted.

I further ask unanimous consent that the first amendment in disagreement be considered agreed to.

I also ask unanimous consent that immediately following the disposition of the first amendment in disagreement, the Senate proceed to a motion to concur in the second amendment in disagreement, dealing with minimum tax, and that only two amendments be in order, one to be offered by Senator BOREN and one to be offered by Senator METZENBAUM.

I ask unanimous consent that immediately following the disposition of the second amendment in disagreement, the Senate proceed to the third amendment in disagreement, and that the Senator from Oregon [Mr. PACKWOOD] be recognized to offer a motion to concur in the House amendment with an amendment, and the following amendments be the only amendments in order to the Packwood amendment, and limited to the following time agreements:

Chiles—Medicare, 2 hours.

Chiles—Medicaid, 1 hour.

Chiles—AFDC, 1 hour.

Riegle—Lower 86 target, 1 hour.

Gramm—Alter the sequester process, 1 hour.

Levin—Alter recession language, 1 hour.

Riegle—Veterans' programs, 1 hour.

Byrd—House Democratic alternative, 1 hour.

Hart—Defense, 40 minutes.

Gramm—Modified Gramm-Rudman with relevant provisions, 1 hour.

Dole—Modified Gramm-Rudman with relevant provisions, 1 hour.

I further ask unanimous consent that a vote occur on the Packwood motion as amended, if amended, no later than 2 p.m. on Wednesday, November 6, and that no motions to recommit with instructions be in order, and that the foregoing be contingent on passage of H.R. 3669.

Mr. BYRD. I did not hear that.

Mr. DOLE. That the foregoing be contingent on passage of H.R. 3669.

The PRESIDING OFFICER (Mr. HECHT). Is there objection.

[The following proceedings occurred after midnight.]

Mr. MOYNIHAN. Mr. President, reserving the right to object, I would like clarification of what the distinguished majority leader just said.

There have been negotiations around this body, not on the floor, and I do not clearly understand what the final proposal is. With great respect, may I ask what the unanimous-consent agreement means in practical terms?

Mr. DOLE. What we would hope to do, if we can reach the unanimous-consent agreement, is to call up the 5-day extension of H.R. 3669.

We have had a lot of discussion. We think the House was mistaken in the

language forwarded to the Senate. There will be an amendment offered by Senator PACKWOOD which, in our opinion, would indicate that by midnight of November 6, action must be taken. That is not clear in the version sent to us by the House.

Following that, if that amendment is adopted, we would proceed to passage of H.R. 3669; and if that is passed, we would go through the conference report.

There are amendments in disagreement. The first is a technical amendment. The second deals with a minimum tax, and that would be subject to amendment by Senators BOREN and METZENBAUM.

Then we would move to the second amendment in disagreement, which is the major amendment in disagreement, and that would be open to amendment. We are advised by the leadership on the Democratic side that amendments would be offered by Senators CHILES, RIEGLE, LEVIN, BYRD, and HART. In some cases, three amendments or two amendments by Members on that side. There would be amendments on this side by Senator GRAMM and the Senator from Kansas, the majority leader.

Once these amendments are disposed of, we would have final passage no later than 2 p.m. on Wednesday, November 6.

Mr. MOYNIHAN. With great respect to the majority leader, for whom I have a very high regard, I believe that some of us have been on this floor for much of the evening and have not been consulted in this matter. Accordingly, I object. I would like an opportunity to offer an amendment of my own. If I could have an hour in that sequence, equally divided, I would be willing.

Mr. DOLE. An amendment on what topic?

Mr. MOYNIHAN. On the subject of the legislation involved and the specifics thereof.

Mr. BYRD. Could the distinguished Senator indicate the subject matter?

Mr. MOYNIHAN. The subject matter will have to do with the economic assumptions involved in the whole sequence.

Mr. DOLE. There is no objection.

Mr. BYRD. No objection.

Mr. MOYNIHAN. I thank the majority leader.

The PRESIDING OFFICER. Is there objection?

Mr. ARMSTRONG. Mr. President, if the Senator will yield, as I understand the situation that is evolving, a new element has sort of surfaced.

As I understand it, the entire unanimous-consent agreement fails or is nullified if H.R. 3669 does not pass. That is not something that particularly appeals to me, since I do not intend to vote for H.R. 3669.

It seems to me somewhat a one-way proposition to suggest that one measure may not even be considered and brought up and brought to a vote in a timely manner unless another matter is passed. Would it be agreeable to make the same understanding about passage of the other—that is, to condition H.R. 3669 on the passage of House Joint Resolution 372? I assume that that would not be acceptable to Senators. But why is it fair one way and not the other?

Mr. DOLE. I say to my colleague that I would prefer to have final disposition of H.R. 3669 rather than final passage. I do not have any strong feeling whether it passes or not. The only difference is that if it does not pass, we will not have a unanimous-consent agreement, and we could probably spend a week or two on going over this whole territory again. I guess it is the price you pay for condensing it to a day and a half.

Many of us felt that we could amend the House-passed extension with a significant amendment which Senator PACKWOOD will explain, and have a voice vote, or do it by unanimous consent; but Members on this side wanted a vote, and I think they have a right to have a vote. If it is defeated, it is defeated. We will try something else, like tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. ARMSTRONG. Mr. President, I would like to further reserve the right to object.

Mr. DOLE. The others will be brought up on Monday.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent to proceed for 30 seconds.

Mr. DOLE. Yes.

Mr. ARMSTRONG. Mr. President, I do not think this is a very good deal. I do not like it. I do not like the procedure. I do not like anything about it.

On the other hand, somebody has to set out the schedule, and in this case the majority leader made the best deal he can, and I am not going to object. I also am not going to vote for the short-term extension.

I hope the unanimous-consent agreement will permit me 2 or 3 minutes to explain why I will vote against the extension, which I think is a mistake. Frankly, I am not that hot on getting a unanimous-consent agreement on the other matter, either.

I say to the majority leader that I am not going to throw a monkey wrench into the works, but I also am not going to vote for the debt limit extension.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Has Senator MOYNIHAN's 1 hour been taken care of?

Mr. DOLE. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOLE. Mr. President, I thank my colleagues and I indicate there is no time limit on H.R. 3669. So we have plenty of time if Members wish to discuss it.

The remainder of the agreement is contingent on passage.

Mr. FORD. Mr. President, if the majority leader will yield, will the majority leader do the Senator from Kentucky a favor? Can he do this and get us moving?

Mr. DOLE. Yes.

TO PREVENT DISINVESTMENT OF THE SOCIAL SECURITY TRUST FUNDS

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3669) to prevent the disinvestment of the Social Security Trust Fund and other trust funds.

The Senate proceeded to consider the bill.

AMENDMENT NO. 955

Mr. PACKWOOD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD] proposes an amendment numbered 955.

Mr. PACKWOOD. Mr. President, I will take a shot at this and see what happens and move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. ARMSTRONG. Mr. President, in the first place, the very title of this is in its essence misleading. I believe I heard that the clerk recited that this is an act to prevent the disinvestments of certain funds and in fact that disinvestment, I guess, has already occurred, has it not, at midnight, that action went into effect automatically? Even if we had passed this legislation prior to 12 o'clock and the bill had been enrolled, which as it turned out would have been impossible because the House enrolling officials are not available to us to get the bill enrolled, even if that has happened and it had gone to the President and been signed, it would not have changed the outcome one iota.

I hope, Mr. President—may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order.

Senators take their seats.

The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, the impression has been created that somehow this so-called disinvestment which, by the way, is not an accurate term for what is about to occur or

what has occurred at midnight, that somehow Social Security recipients are placed at a disadvantage. So far as I am aware that is not the case. Nor is the general fund placed at a disadvantage. We are talking about whether or not funds will be redeemed from the sale by the Social Security Fund of Treasury obligations, and this is a normal process. It happens all the time, and there is a constant rolling over of funds being invested and matured and the moneys that are freed up by the maturing of the Treasury obligations, the so-called disinvestment, are then used to pay the obligations of the Social Security Fund, that is to say the recipients. It is a normal thing.

There is nothing worrisome about it.

If this went on for 2 or 3 days, 1 week, 2 weeks, 1 month, really nothing would be damaged, nothing would be lost.

But there is this false note of crisis about this particular Treasury funding procedure which I for one regret.

I just do not think the sky is falling in and the impression that perhaps it is is unfounded, in my judgment.

Someone might arise to point out that perhaps the Social Security Fund would lose a few days' interest on a small fraction of their total funds. I do not dispute that. The interest gained thereby would be to the general fund, and if it were the desire of Congress at some point to make the Social Security Trust Fund whole, it could do so by subsequent legislation, so we are not losing control of anything by failing to pass this. It is just a question of whether or not we want to act on it at this hour and in this way and under this kind of deadline pressure.

The second question is whether or not the other operations of Government are going to grind to a halt, and they are not. If we do not do anything Treasury has through this so-called disinvestment procedure come up with enough cash to go for another couple of weeks.

So I think, first of all, this is a vain act for us to pass this legislation. It is in vain. It will not solve any practical problem. Nor is it really intended to. What it is intended to do is to solve a perception problem, the belief that somehow the House has passed an extension of the debt limit and, by gosh, the Senate just did not have guts enough to do that. The reality of it is we are not solving any kind of real problem. We are just trying to get ourselves off the hook.

Now, by doing so we may make ourselves and perhaps others feel a little better over the weekend, but we are compounding the problem that we face next week, because the leverage we have to pass the so-called Gramm-Rudman-Hollings amendment is precisely the debt limit and what we are saying by the passage of this, if we pass it, is that when the House sends us a bill, whatever it is, whatever its content, whatever its intellectual substance, if it deals with this subject, if they pass it late in the day or Friday afternoon and go home for the weekend, we will conform to their wishes.

In other words, we are going to look them right in the eye, as one of our Members put it, so, well, we are going to blink, and if we blink again tonight what is to say we are not going to blink again next Wednesday, or next Thursday. And that is the question I put to the manager of the bill who I know shares my concerns about the long-range outlook, and who shares my desire that we get some measure of meaningful budget reform. How do we know that we are not going to blink again next week, and I would address that to the Senator from Oregon, but I will be happy to yield the floor.

Mr. PACKWOOD. Mr. President, could I ask the clerk to read that again?

The PRESIDING OFFICER (Mr. WARNER). The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof: That, during the period beginning on the date of enactment of this Act and ending on November 6, 1985, the public debt limit set forth in subsection (b) of section 3101 of title 31 United States Code, shall be increased by an amount determined by the Secretary of the Treasury as necessary to permit the United States to meet its obligations without any accelerated redemption of securities held by the Social Security Trust Fund or any other trust funds established pursuant to Federal law. No increase under the preceding sentence shall result in a public debt limit in excess of $1,840,800,000,000. During this period the United States may not redeem nonmarketable securities held by any trust fund authorized by law. The Secretary of the Treasury shall use the borrowing authority resulting from the increased debt limit in this Act to restore with interest nonmarketable securities which have been redeemed after October 31, 1985 and prior to the date of enactment of this Act. The debt limit shall revert to $1,823,800,000,000 on November 6, 1985.

Mr. PACKWOOD. Mr. President, very simply let me explain what this does. The reason we are passing this is apparently the House sent us a defective bill. We got it. We looked at it. Indeed, there is a wide range of legal opinion, but a great portion of legal opinion says it is not a 5-day extension. It is a 2-month extension. I know they did not intend that but that is what they sent us. We could not send the bill back. The enrolling clerk is gone. They have gone out for the night. We are sending a cleaned up version.

What this does is raise the debt limit to avoid disinvestment or "redemption" is the better term between November 1 and November 6.

The maximum debt limit increase allowed is $17 billion. The $17 billion increase sunsets on November 6, and the Secretary shall use the $17 billion to eliminate any disinvestment that occurred from November 1 to the date of enactment and it is repayable with interest so the trust fund is whole during this 5- or 6-day period. That is all the amendment does.

Mr. MOYNIHAN. Mr. President, will the Senator yield for a question?

Mr. PACKWOOD. I yield.

Mr. MOYNIHAN. As the distinguished chairman knows yesterday I had asked if there might be a meeting of the subcommittee on Social Security of which the distinguished Senator from Colorado is the chairman and I am the ranking minority member, I had hoped that we might lay out this question in public, which is complicated as these things go, and it is being misrepresented and perhaps misunderstood in many quarters.

The term "disinvestment," do I correctly understand, is simply a form for a word in Treasury vocabulary for redeeming bonds purchased with Social Security funds?

Mr. PACKWOOD. I wish we used the word redemption all along because disinvestment has a South African connotation to it and somehow using that word we have given it an odious meaning.

Mr. DOLE. The media likes it.

Mr. PACKWOOD. The media likes it. You know it.

Mr. MOYNIHAN. It means redemption.

Mr. PACKWOOD. Picture this situation. You have one box on one side. That is the Social Security Trust Fund. And you have another box on the other side, which is the Treasury, the general fund. Because the Social Security Fund has surpluses from time to time, it buys these Treasury notes, holds them, and the Treasury pays them interest.

Week in, week out, these bonds go back and forth.

Mr. MOYNIHAN. If the Senator will not mind my saying, it is not quite the case that they go back and forth week to week.

Mr. PACKWOOD. No.

Mr. MOYNIHAN. Under the 1983 legislation, it has been the practice, that on the first of the month the Treasury advances to the Social Security System the anticipated revenues for the full month, and this has made it unnecessary in normal cirumstances to redeem these bonds at all.

Mr. PACKWOOD. That is correct.

Mr. MOYNIHAN. Inasmuch as the system is in surplus and not from time to time in surplus; it has been regularly in surplus since that legislation was enacted.

Now, sir, two things I ask the Senator to be aware of because one I know he is aware of and the second I only learned today: first, the redemption of long-term bonds poses a prospect of interest lost over a 5- and 10-year period much larger than the short-term $10 million that might be involved. As much as $1.5 billion could be involved if in consequence of the failure of the Treasury to be able to abide by the law and make the first of the month advance, the redemption has to take place.

Mr. PACKWOOD. So long as you say, "Inasmuch as." I saw the story on Congressman JONES' hearing and talked with him. I suppose, under the worst possible scenario, that could happen over 10 years. I doubt the amount would be that much.

Mr. MOYNIHAN. That is something that could be measured.

Second, does the distinguished chairman know that we learned today that twice this autumn this "disinvestment" has taken place and without the knowledge of our committee? He need not answer "Yes" if he does not know.

Mr. PACKWOOD. The Senator from New York is right. There is a common process that has been going on. I do not know who has been familiar with it.

Mr. MOYNIHAN. Up against this deadline, it has happened.

Mr. PACKWOOD. I was familiar with it; you were familiar with it.

Mr. MOYNIHAN. No, I was not, nor has the Secretary's officials who appeared before us on our committee on this matter told us about it.

I, with great regret, question the good faith.

Mr. PACKWOOD. Either I am not following the Senator's train of questions or I am not understanding him correctly.

Mr. MOYNIHAN. According to the CBO, twice this autumn this disinvestment procedure has taken place while up against a debt ceiling. These were the only times ever in our knowledge this has been done in this context, and we were not told. And the prospect of it happening this time has been presented to us as the first time ever.

Mr. PACKWOOD. I am not sure I can answer that.

Mr. MOYNIHAN. I should not be surprised that you cannot, I say to my friend, because it was learned by us at midday and we did not know about it even yesterday when I was asking if we might have a public hearing today.

May I just make three points? One is that there is a question of whether the public trustees knew about this. There is a question whether our committee knew about this. And there is, indeed, a question of the long-term consequences that would arise in terms of interest return.

The Senator has agreed, generously and characteristically, that there will be a meeting next week, Thursday, I believe, is the day. May I say to the Senator that we have perhaps needlessly jeopardized the appearances of the matter with regard to the Social Security Trust Fund and I would have hoped it would not have happened. But I dare to say it has happened.

Mr. ARMSTRONG. Mr. President, I do not think this is the moment to go too deeply into this, but I do not want to leave the RECORD in quite that state. I do think there has been some unnecessary appearance of a problem created, but I do not think it was the Treasury that created that appearance.

Mr. CHILES. Will the Senator yield?

Mr. ARMSTRONG. I am yielding the floor.

Mr. CHILES. I just ask the Senator, because he has talked about this being a perception problem and there being no real reason to pass this extension because all we were dealing with is a perception problem. Now, I understand the perception problem is no fault of the Treasury at all. I will read you an AP wire story on October 28.

> We are running up against the possibility that we might have to divest the Social Security Trust Fund, shortchanging that Trust Fund of accumulated interest, all because of the unexcusable dithering and delay in meeting the responsibility about raising the debt ceiling.

That is the Commander in Chief, Ronald Reagan, who made that statement.

Now, if there is a perception problem—and I agree there is—I would say to my good friend from Colorado that that perception problem comes from the top, the very top, at the head of Pennsylvania Avenue.

We are trying to respond to that perception problem. Yes; we are trying to reassure some senior citizens that their trust fund will not be depleted. And, yes, we have to respond to that because we do have a perception problem.

But it may be more than that, I say to my good friend from Colorado, because I note that there is some language in the amendment by the chairman of the Finance Committee that says that "the Treasury shall use the borrowing authority resulting from the increased debt limit in this act to restore with interest nonmarketable securities which have been redeemed after October 31, 1985, and prior to the date of enactment of this act."

So we think enough about it that we are putting something in this amendment saying we are going to pay the money back. And we have the Commander-in-Chief saying that we are dithering around and because of that there will be this terrible word "disinvestment" of these funds. I will say that if there is a perception problem it comes from the top.

Mr. ARMSTRONG. If the Senator will yield, the point I made earlier—and perhaps, with fatigue, I did not make it clearly—is that to remedy whatever underlying problem there is, we can solve that next Monday or next week or next month if there is a desire of doing so. There is no emergency, no doubt of the checks going out or Social Security benefits being paid.

As I pointed out, to the extent interest may be lost, if it is the desire to make the trust fund whole for that, we can do that in any subsequent legislative enactment.

Mr. DANFORTH. Mr. President, I wonder if I could ask the Senator from Oregon a question or two. It is my understanding that no matter what we do tonight, whether we pass the House bill or whether we pass the House bill as amended by the Senator from Oregon, whatever we do will not become law tonight; is that correct?

Mr. PACKWOOD. It cannot become law tonight because we are changing the House bill that they sent to us and they have gone out for the night and cannot receive it.

Mr. DANFORTH. Even if we passed the House bill as it has come to us?

Mr. PACKWOOD. It still would not become law tonight.

Mr. DANFORTH. Why is that?

Mr. PACKWOOD. Assuming that we did not change it a bit and sent it back, they have gone out. Their enrolling clerk is gone. They have no one there to receive it. They have got to receive it, enroll it, and take it to the President.

Mr. DANFORTH. So, in other words, when we are here at 12:30 in the morning, we create this great sense that this is an emergency and that we must take care of the emergency right now or else something terrible will happen, but, regardless of what we do tonight, it would be sometime on Monday before anything would become law; is that correct?

Mr. PACKWOOD. The House could come back tomorrow.

Mr. DANFORTH. The House could come back tomorrow?

Mr. PACKWOOD. Later today, I should say.

Mr. DANFORTH. But I believe they have recessed until noon on Monday.

Mr. PACKWOOD. But if it is a true emergency, they could come back.

Mr. DANFORTH. That is correct. Is there any sense of emergency in the mind of the Senator from Oregon? Do you believe that there is any possibility that a single Social Security beneficiary will have a single check delayed by a minute or reduced by a penny?

Mr. PACKWOOD. No.

The PRESIDING OFFICER. The question is on the amendment.

Mr. MOYNIHAN. One quick remark. The issue of lost interest is a legitimate issue to the trust fund. It would be in the smallest community and the smallest amount. It is not a question of whether we wish to address it. We must address it. And I have asked the Treasury to come to us on Thursday with legislation that does. We cannot and we ought not have any question about whether we will do this. We will do it. I wonder if the chairman does not agree that, of course, we will do this.

Mr. PACKWOOD. The chairman does not agree what?

Mr. MOYNIHAN. That, of course, we will see that the trust funds are made whole.

Mr. PACKWOOD. That is even in the debt limit extension that we have; yes.

Mr. MOYNIHAN. I thank the Senator for his response.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 955) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from South Dakota [Mr. ABDNOR], the Senator from North Dakota [Mr. ANDREWS], the Senator from Maine [Mr. COHEN], the Senator from New York [Mr. D'AMATO], the Senator from North Carolina [Mr. EAST], the Senator from Arizona [Mr. GOLDWATER], the Senator from Oregon [Mr. HATFIELD], the Senator from Nevada [Mr. LAXALT], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Indiana [Mr. QUAYLE], the Senator from Delaware [Mr. ROTH], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Vermont [Mr. STAFFORD], the Senator from Alaska [Mr. STEVENS], the Senator from Wyoming [Mr. WALLOP], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], the Senator from Missouri [Mr. EAGLETON], the Senator from Iowa [Mr. HARKIN], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Arkansas [Mr. PRYOR], the Senator from Mississippi [Mr. STENNIS], the Senator from Maryland [Mr. SARBANES], and the Senator from Massachusetts [Mr. KENNEDY] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 51, nays 22, as follows:

[Rollcall Vote No. 278 Leg.]

YEAS—51

Bingaman	Gramm	Mitchell
Boschwitz	Hart	Moynihan
Bradley	Hatch	Murkowski
Bumpers	Hawkins	Nunn
Burdick	Hecht	Packwood
Byrd	Heinz	Pell
Chafee	Hollings	Pressler
Chiles	Kassebaum	Riegle
Cochran	Kerry	Rockefeller
Dixon	Lautenberg	Rudman
Dodd	Leahy	Simon
Dole	Levin	Simpson
Domenici	Long	Thurmond
Durenberger	Lugar	Trible
Ford	Mathias	Warner
Garn	Matsunaga	Wilson
Gore	Melcher	
Gorton	Metzenbaum	

NAYS—22

Armstrong	Glenn	McConnell
Baucus	Grassley	Nickles
Boren	Heflin	Proxmire
Cranston	Helms	Sasser
Danforth	Humphrey	Symms
Denton	Kasten	Zorinsky
Evans	Mattingly	
Exon	McClure	

NOT VOTING—27

Abdnor	Goldwater	Quayle
Andrews	Harkin	Roth
Bentsen	Hatfield	Sarbanes
Biden	Inouye	Specter
Cohen	Johnston	Stafford
D'Amato	Kennedy	Stennis
DeConcini	Laxalt	Stevens
Eagleton	Murkowski	Wallop
East	Pryor	Weicker

So the bill (H.R. 3669) as amended was passed.

Mr. DOLE. I move to reconsider the vote by which the bill was passed.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I thank my colleagues. Now that we have done this, it is probably safe to say it does not mean anything. In any event, I understand that if the House even would act tonight or tomorrow, Treasury would still not be in default until the 14th of November. Had we not acted, they would not be in default until the 14th of November. Had we acted on the House-passed bill, it would not have been in default until the 14th of November. Had we acted as we did act it would not be in default until the 14th of November. So it has been interesting, but not very productive.

Having said that, Mr. President, I think it is fair to say that it seemed to some of us that the unanimous-consent agreement is important. Otherwise, we would spend another week or more on this issue. Under the unanimous-consent agreement, we will now be able to complete action and send it back to the House, where I assume they will be in conference until the 14th of November. So we will see what happens.

ORDERS FOR MONDAY, NOVEMBER 4, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, November 4, 1985, the reading of the Journal be dispensed with; no resolutions come over under the rule; the call of the Calendar be dispensed with; and following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from South Carolina [Mr. THURMOND], the Senator from Wisconsin [Mr. PROXMIRE], and the Senator from Tennessee [Mr. GORE], for not to exceed 15 minutes each, to be followed by a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not more than 5 minutes each; provided further that the morning hour be deemed to have expired.

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

NATIONAL SCIENCE, ENGINEERING, AND MATHEMATICS AUTHORIZATION ACT OF 1986

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 1210.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 1210) entitled "An Act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes", with the following amendment:

In lieu of the matter proposed by said amendment, insert:

That this Act may be cited as the "National Science, Engineering, and Mathematics Authorization Act of 1986".

TITLE I—NATIONAL SCIENCE FOUNDATION AUTHORIZATION

SHORT TITLE

SEC. 101. This title may be cited as the "National Science Foundation Authorization Act for Fiscal Year 1986".

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) There are authorized to be appropriated to the National Science Founda-

tion, for the fiscal year 1986, the sums set forth in the following categories:

(1) Advanced Scientific Computing, $46,230,000.

(2) Astronomical, Atmospheric, Earth, and Ocean Sciences, $359,670,000.

(3) Biological, Behavioral, and Social Sciences, $262,010,000.

(4) Engineering, $169,796,000.

(5) Mathematical and Physical Sciences, $408,820,000.

(6) Scientific, Technological, and International Affairs, $37,770,000.

(7) Program Development and Management, $72,230,000.

(8) Science and Engineering Education, $50,550,000.

(9) United States Antarctic Program, $110,080,000.

(b)(1) Notwithstanding any other provision of this Act, from the amounts authorized under subsection (a)—

(A) not less than $1,000,000 are authorized only for the purposes of the ethics and values in science and technology program; and

(B) not less than $3,000,000 are authorized only for purposes of the Policy Research and Analysis program.

The Foundation shall report to the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate on the distribution of the funds made available under subparagraph (A) of this paragraph not later than December 30, 1986.

(c) In the obligation, use, and expenditure of the amounts appropriated for Biotic Systems and Resources under the authority provided in subsection (a)(3) and for Atmospheric Sciences under the authority provided in subsection (a)(2), emphasis shall be placed on basic scientific research to support a better understanding of the phenomena that contribute to acid rain.

SCIENTIFIC REVIEW PRIOR TO CLOSURE OF A NATIONAL FACILITY

SEC. 103. Of the funds authorized to be appropriated in section 102, no funds shall be expended with respect to closure of a National facility without appropriate scientific review, including review by the National Science Foundation's appropriate advisory committee or committees and the National Science Board.

AVAILABILITY

SEC. 104. Appropriations made under authority provided in sections 102 and 106 shall remain available for obligation for periods specified in the Acts making the appropriations.

OFFICIAL EXPENSES

SEC. 105. From appropriations made under authorizations provided in this Act, not more than $3,500 for fiscal year 1986 may be used for official consultation, representation, or other extraordinary expenses at the discretion of the Director of the National Science Foundation. The determination of the Director shall be final and conclusive upon the accounting officers of the Government.

FOREIGN CURRENCY AUTHORIZATION

SEC. 106. In addition to the sums authorized by section 102, not more than $1,000,000 for fiscal year 1986 are authorized to be appropriated for expenses of the National Science Foundation incurred outside the United States, to be drawn from foreign currencies that the Treasury Department determines to be excess to the normal requirements of the United States.

TRANSFERS AUTHORIZED

SEC. 107. (a) Funds may be transferred among the categories listed in section 102(a), so long as the net funds transferred to or from any category do not exceed 10 percent of the amount authorized for that category in section 102.

(b) The Director of the Foundation may propose transfers to or from any category exceeding 10 percent of the amounts authorized for that category in section 102. An explanation of any such proposed transfer must be transmitted in writing to the Speaker of the House, the President of the Senate, the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate, and the Committee on Science and Technology of the House of Representatives. The proposed transfer may be made only when thirty calendar days have passed after submission of the written proposal.

DATA COLLECTION AND ANALYSIS

SEC. 108. The National Science Foundation is authorized to design, establish, and maintain a data collection and analysis capability in the Foundation for the purpose of identifying and assessing the research facilities needs of universities. The needs of universities, by major field of science and engineering, for construction and modernization of research laboratories, including fixed equipment and major research equipment, shall be documented. University expenditures for the construction and modernization of research facilities, the sources of funds, and other appropriate data shall be collected and analyzed. The Foundation, in conjunction with other appropriate Federal agencies, shall conduct the necessary surveys every 2 years and report the results to the Congress. The first report shall be submitted to the Congress by September 1, 1986.

NATIONAL SCIENCE FOUNDATION ADMINISTRATIVE AMENDMENTS

SEC. 109. (a) The last sentence of section 4(e) of the National Science Foundation Act of 1950 (42 U.S.C. 1863(e)) is amended by striking out "by registered mail or certified mail mailed to his last known address of record".

(b) Section 5(e) of the National Science Foundation Act of 1950 (42 U.S.C. 1864(e)) is amended to read as follows:

"(e)(1) The Director may make grants, contracts, and other arrangements pursuant to section 11(c) only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

"(2) Any delegation of authority or imposition of conditions under the preceding sentence shall be effective only for such period of time, not exceeding two years, as the Board may specify, and shall be promptly published in the Federal Register and reported to the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives. On October 1 of each odd-numbered year the Board shall submit to the Congress a concise report which explains and justifies any actions taken by the Board under this subsection to delegate its authority or impose conditions within the preceding two years. The provisions of this subsection shall cease to be effective at the end of fiscal year 1989.".

(c) Section 12 of such Act (42 U.S.C. 1871) is amended—

(1) by striking out "(a)" after "SEC. 12."; and

(2) by striking out subsection (b).

(d) Section 9 of the National Science Foundation Act of 1950 (42 U.S.C. 1868) is amended to read as follows:

"SPECIAL COMMISSIONS

"SEC. 9. (a) Each special commission established under section 4(h) shall be appointed by the Board and shall consist of such members as the Board considers appropriate.

"(b) Special commissions may be established to study and make recommendations to the Foundation on issues relating to research and education in science and engineering.".

(e)(1) Section 14 of such Act (42 U.S.C. 1873) is amended—

(A) by striking out subsection (b);

(B) by redesignating subsections (c) through (i) as subsections (b) through (h), respectively; and

(C) by adding at the end thereof the following new subsection:

"(i) Information supplied to the Foundation or a contractor of the Foundation by an industrial or commercial organization in survey forms, questionnaires, or similar instruments for the purposes of subsection (a)(5) or (a)(6) of section 3 may not be disclosed to the public unless such information has been transformed into statistical or aggregate formats that do not allow the identification of the supplier. The names of organizations supplying such information may not be disclosed to the public.".

(2) Sections 3(b) and 15(b)(1) of such Act (42 U.S.C. 1862(b), 1874(b)(1)) are each amended by striking out "14(g)" and inserting in lieu thereof "14(f)".

(f) Section 10 of the National Science Foundation Authorization Act, Fiscal Year 1978 (42 U.S.C. 1873(a)), is repealed.

(g) Section 6(a) of the National Science Foundation Authorization Act, 1976 (42 U.S.C. 1881a(a)) is amended—

(1) by striking out "not to exceed $50,000 per year for a period not to exceed three years" in the last sentence; and

(2) by adding at the end thereof the following new sentence: "The National Science Board will periodically establish the amounts and terms of such grants under this section.".

(h) Section 6 of the National Science Foundation Authorization Act, Fiscal Year 1978 (42 U.S.C. 1884), is repealed; and sections 7, 8, 9, 11, 12, 13, and 14 of such Act are redesignated as sections 6 through 12, respectively.

(i) Section 9 of the National Science Foundation Authorization Act for Fiscal Year 1980 (42 U.S.C. 1882) is amended by inserting "and the National Science Board" after "the Director of the National Science Foundation".

AMENDMENT TO THE NATIONAL SCIENCE FOUNDATION ACT OF 1950 RELATING TO ENGINEERING

SEC. 110. (a) The National Science Foundation Act of 1950 (42 U.S.C. 1861 through 1875) is amended as follows:

(1) Section 3(a)(1) (42 U.S.C. 1862(a)(1)) is amended—

(A) by striking out "engineering,";

(B) by inserting after "other sciences," the following: "and to initiate and support research fundamental to the engineering process and programs to strengthen engineering research potential and engineering education programs at all levels in the various fields of engineering,"; and

(C) by striking out "such scientific and educational activities" and inserting in lieu thereof "such scientific, engineering, and educational activities".

(2) Section 3(a)(2) (42 U.S.C. 1862(a)(2)) is amended by striking out "in the mathematical, physical, medical, biological, engineering, social, and other sciences" and inserting in lieu thereof "for study and research in the sciences or in engineering".

(3) Section 3(a)(3) (42 U.S.C. 1862(a)(3)) is amended—

(A) by inserting "and engineering" after "scientific"; and

(B) by inserting "and engineers" after "scientists".

(4) Section 3(a)(4) (42 U.S.C. 1862(a)(4)) is amended—

(A) by inserting "and engineering" after "scientific"; and

(B) by inserting "and engineering" after "sciences".

(5) Section 3(a)(5) (42 U.S.C. 1862(a)(5)) is amended by inserting "and fields of engineering" after "sciences".

(6) Section 3(a)(6) (42 U.S.C. 1862(a)(6)) is amended by striking out "technical" each place it appears and inserting in lieu thereof "engineering".

(7) Section 3(a)(7) (42 U.S.C. 1862(a)(7)) is amended by inserting "and engineering" after "scientific".

(8) Section 3(b) (42 U.S.C. 1862(b)) is amended by inserting "and engineering" after "scientific" each place it appears.

(9) Section 3(c) (42 U.S.C. 1862(c)) is amended—

(A) by inserting "and engineering" after "scientific" in the first sentence; and

(B) by inserting "and engineering research" after "applied scientific research" in the second sentence.

(10) Section 3(d) (42 U.S.C. 1862(d)) is amended by striking out "basic research and education in the sciences" and inserting in lieu thereof "research and education in science and engineering".

(11) Section 3(e) (42 U.S.C. 1862(e)) is amended by inserting "and engineering" after "sciences".

(12) Section 4(c) (42 U.S.C. 1863(c)) is amended—

(A) by inserting "and engineering" after "scientific" in clause (3) of the first sentence;

(B) by inserting "and engineers" after "scientists" in the second sentence; and

(C) by inserting "the National Academy of Engineering," after "National Academy of Sciences,", and inserting ", engineering," after "scientific", in the third sentence.

(13) The first sentence of section 10 (42 U.S.C. 1869) is amended by striking out "scientific study or scientific work in the mathematical, physical, medical, biological, engineering, social, and other sciences" and inserting in lieu thereof "study and research in the sciences or in engineering".

(14) Section 11 (42 U.S.C. 1870) is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsections (c), (d), and (i);

(B) by striking out "technical" and inserting in lieu thereof "engineering" in subsection (g); and

(C) by striking out "scientific value" and inserting in lieu thereof "scientific or engineering value" in subsection (g).

(15) Section 12 (42 U.S.C. 1871), as amended by section 109(c) of this Act, is further amended by inserting "or engineering" after "scientific".

(16) Section 13(a) (42 U.S.C. 1872(a)) is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in the first two sentences;

(B) by inserting "or engineers" after "scientists"; and

(C) by striking out "scientific study or scientific work" and inserting in lieu thereof "study and research in the sciences or in engineering".

(17) Section 13(b) (42 U.S.C. 1872(b)) is amended by inserting "or engineering" after "scientific".

(18) Section 14 (42 U.S.C. 1873), as amended by section 109(e) of this Act, is further amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsection (e); and

(B) by striking out "technical" in subsection (f) and inserting in lieu thereof "engineering".

(19) Section 15(b) (42 U.S.C. 1874(b)) is amended—

(A) by striking out "technical" in paragraph (1) and inserting in lieu thereof "engineering"; and

(B) by inserting "or engineering" after "scientific" in paragraph (2).

(b) Section 2(b) of the National Science Foundation Authorization Act, 1976 (42 U.S.C. 1869a) is amended by inserting "or engineering" after "science" each place it appears.

AMENDMENT TO SCIENCE AND TECHNOLOGY EQUAL OPPORTUNITY ACT RELATING TO ENGINEERING

SEC. 111. (a) The first section of the National Science Foundation Authorization and Science and Technology Equal Opportunities Act (42 U.S.C. 1861, note) is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(b) Part B of the National Science Foundation Authorization and Science and Technology Equal Opportunities Act (42 U.S.C. 1885 to 1885(d)) is amended as follows:

(1) Section 31 (42 U.S.C. 1885) is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(2) Section 32(a) (42 U.S.C. 1885(a)) is amended—

(A) by striking out "technology" and inserting in lieu thereof "engineering"; and

(B) by striking out "scientific talent and technical skills" and inserting in lieu thereof "scientific and engineering talents and skills".

(3) The first sentence of section 32(b) (42 U.S.C. 1885(b)) is amended—

(A) by striking out "skills in science and mathematics" and inserting in lieu thereof "skills in science, engineering, and mathematics";

(B) by striking out "technical" and inserting in lieu thereof "engineering";

(C) by striking out "scientific literacy" and inserting in lieu thereof "scientific and engineering literacy"; and

(D) by striking out "technology" and inserting in lieu thereof "engineering".

(4) The second sentence of section 32(b) (42 U.S.C. 1885(b)) is amended—

(A) by striking out "highest quality science" and inserting in lieu thereof "highest quality science and engineering"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(5) The third sentence of section 32(b) (42 U.S.C. 1885(b)) is amended by striking out "technology" and inserting in lieu thereof "engineering".

(6) Section 33 (42 U.S.C. 1885a) is amended—

(A) by striking out "technology" and "technical" each place they appear and inserting in lieu thereof "engineering";

(B) by inserting ", engineering," after "science" in paragraph (2);

(C) by inserting "and engineers" after "scientists" each place it appears;

(D) by inserting "and engineering" after "science" in paragraph (10); and

(E) by striking out "science, engineering, and technology" in paragraph (11) and inserting in lieu thereof "science and engineering".

(7) Section 34 (42 U.S.C. 1885b) is amended—

(A) by striking out "science education" and inserting in lieu thereof "science and engineering education"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(8) Section 36 (42 U.S.C. 1885c) is amended—

(A) by striking out "TECHNOLOGY" in the heading and "Technology" and "technology" each place they appear, and inserting in lieu thereof "ENGINEERING", "Engineering", and "engineering", respectively; and

(B) by striking out "scientific engineering, professional, and technical" and inserting in lieu thereof "scientific, engineering, and professional".

(9) Section 37(b) (42 U.S.C. 1885d(b)) is amended—

(A) by striking out "technical" each place it appears and inserting in lieu thereof "engineering"; and

(B) by striking out "Technology" in paragraph (3) and inserting in lieu thereof "Engineering".

(10) The heading of such part B is amended by striking out "TECHNOLOGY" and inserting in lieu thereof "ENGINEERING".

PRIVATE SECTOR SURVEY REVIEW

SEC. 112. Within 90 days after the date of the enactment of this Act the Director of the National Science Foundation shall review the recommendations of the President's Private Sector Survey on Cost Control and such other recommendations as may be included in the OMB report "Management of the United States Government—1986", and shall submit a report to the Speaker of the House of Representatives, the President of the Senate, and the appropriate Committees of the House and Senate on the implementation status of each such recommendation which affects the National Science Foundation and which is within the authority and control of the Director.

TITLE II—EDUCATION FOR ECONOMIC SECURITY REAUTHORIZATION

PART A—NATIONAL SCIENCE FOUNDATION MATHEMATICS AND SCIENCE PROGRAMS

MATHEMATICS, SCIENCE, AND ENGINEERING EDUCATION PROGRAMS

SEC. 201. Title I of the Education for Economic Security Act (Public Law 98-377) is amended to read as follows:

"TITLE I—NATIONAL SCIENCE FOUNDATION SCIENCE AND ENGINEERING EDUCATION

"POLICY

"SEC. 101. (a) The Congress declares that the science and engineering education responsibilities of the National Science Foundation are—

"(1) to improve the quality of instruction in the fields of mathematics, science, and engineering;

"(2) to support research, fellowships, teacher-faculty-business exchange programs in mathematics, science, and engineering;

"(3) to improve the quality and availability of instrumentation for mathematics, science, and engineering instruction;

"(4) to encourage partnerships in education between local and State education

agencies, business and industry, colleges and universities, and cultural and professional institutions and societies; and

"(5) to improve the quality of education at all levels in the fields of mathematics, science, and engineering.

"(b) In exercising its responsibilities to strengthen scientific and engineering research potential and science and engineering education programs at all levels, the Foundation shall avoid undue concentration of support for research and education activities.

"FUNCTIONAL OBJECTIVES; USES OF FUNDS

"Sec. 102. (a) In carrying out its science and engineering education responsibilities, the Foundation shall have the following functional objectives: public understanding of science and technology, faculty enhancement, student education and training, instructional development and instrumentation, and materials development and dissemination.

"(b) Funds under this title shall, consistent with such functional objectives, be used for—

"(1) enhancement of public understanding of science and engineering through informal education activities using a variety of mediums such as broadcasting, museums, clubs, and amateur science societies;

"(2) development of new science and engineering faculty resources and talents;

"(3) enhancement of the quality of science and engineering instruction in colleges of teacher education;

"(4) development of four-year college faculty and instructors in high technology fields;

"(5) development of two-year community college faculty and instructors especially in high technology fields;

"(6) development of precollege mathematics, science and engineering education and training;

"(7) encouragement of potential students, including underrepresented and underserved populations, to pursue careers in mathematics, science, engineering, and critical foreign languages;

"(8) development of instructional instrumentation and systems for postsecondary technical, engineering, and scientific education; and

"(9) development of science, engineering, and education networks to aid in the development and dissemination of successful curricula, methods, and materials.

"TEACHER INSTITUTES

"Sec. 103. (a) The Foundation shall, in accordance with the provisions of this title, make competitive grants to institutions of higher education, businesses, nonprofit private organizations (including schools), local education agencies, professional engineering and scientific associations, museums, libraries, public broadcasting entities (as defined in section 397(11) of the Communications Act of 1934), and appropriate State agencies to support institutes and workshops for supervisors and teachers in public and private elementary and secondary schools for the purpose of improving the subject knowledge and teaching skills of such teachers in the areas of mathematics and science.

"(b) In making grants under this section, the Foundation shall assure that there is an equitable distribution among States of institutes established and operated with funds made available under this section. The Foundation shall award not less than one institute in each State, except that the Foundation may waive this requirement if there is no proposal from a State which meets the requirements of this title. Proposals which exceed $300,000 in any fiscal year incorporating the services or resources of more than two entities in the design and operation of the institute, may be funded at the discretion of the Director of the Foundation.

"(c) Institutes assisted under this title may, to the extent possible, involve the cooperation of advanced technology businesses and other businesses which are able to supply assistance in the teaching of mathematics and science.

"(d) In making grants under this title, the Foundation shall require assurances that local education agencies will be involved in the planning and development of the institute in the case of applications submitted by other eligible applicants described in subsection (a) of this section, or that one or more such applicants will be involved in the planning and development of the institute in the case of applications submitted by State or local education agencies.

"MATERIALS DEVELOPMENT AND METHODS RESEARCH FOR MATHEMATICS, SCIENCE, AND ENGINEERING

"Sec. 104. (a) The Foundation is authorized, in accordance with the provisions of this title, to award competitive grants to institutions of higher education, businesses, nonprofit private organizations, local education agencies, professional engineering and scientific associations, museums, libraries, public broadcasting entities (as defined in section 397(11) of the Communications Act of 1934), and appropriate State agencies—

"(1) for instructional curriculum improvement and faculty development in mathematics, science, and engineering;

"(2) for programs designed to enhance public understanding of mathematics, science, and engineering, including the use of public broadcasting entities; and

"(3) for research on methods of instruction and educational programs in mathematics, science, engineering, and critical foreign languages.

"(b) Studies conducted under subsection (a)(3) may include—

"(1) teaching and learning research and its application to local and private sector instructional materials development and to improved teacher training programs;

"(2) research on the use of local and informal science education activities;

"(3) research on recruitment, retention, and improvement of mathematics, science, engineering, and critical languages faculties; and

"(4) analysis of materials and methods for mathematics, science, and engineering education used in other countries and their potential application in the United States.

"(c) Funds awarded for such competitive grants shall be expended through a system requiring matching of the grant. The minimum amount required as a match shall be equal to a percentage of the grant that is determined by the Foundation. Funds made available for matching purposes may include in-kind services or other resources.

"(d) In making grant applications for materials or methods research for the purposes described in subsections (a)(1) and (a)(3), the Foundation shall assure the involvement of appropriate State or local education agencies in the case of applications submitted by other entities described in subsection (a), or that one or more of such other entities will be consulted in the case of applications submitted by State or local education agencies.

"GRADUATE FELLOWSHIPS

"Sec. 105. The Foundation is authorized, in accordance with the provisions of this title, to establish and carry out a program of graduate fellowships for the purpose of encouraging and assisting promising students to continue their education and research in mathematics, science, and engineering.

"OTHER FUNCTIONAL ACTIVITIES

"Sec. 106. (a) The Foundation is authorized to expend up to 15 per centum of the funds available for science and engineering education for applications which the Foundation determines will meet one or more of the functional objectives described in section 102(b).

"(b) Such programs may include a program for the exchange of mathematics, science, or engineering faculty between institutions of higher education (particularly institutions having nationally recognized research facilities) and eligible institutions. For the purposes of this section, the term 'eligible institution' means an institution of higher education which—

"(1) has an enrollment which includes a substantial percentage of students who are members of a minority group, or who are economically or educationally disadvantaged; or

"(2) is located in a community that is not within commuting distance of a major institution of higher education; and

"(3) demonstrates a commitment to meet the special educational needs of students who are members of a minority group or are economically or educationally disadvantaged.

"SCIENCE AND ENGINEERING EDUCATION STRATEGIC PLAN

"Sec. 107. The Foundation shall develop a five-year strategic plan for science and engineering education, to be up-dated on an annual basis, and submitted to the Committee on Labor and Human Resources of the Senate, and the Committee on Science and Technology of the House of Representatives by November 30 of each year.

"APPROVAL OF PROPOSALS

"Sec. 108. The Foundation shall adopt approval procedures designed to assure that awards are made on the basis of the scientific and educational merit as determined by the peer review process. To the maximum extent possible, the Foundation shall assure that there is an equitable distribution of resources with respect to institutions and geographical areas.

"SPECIAL CONSIDERATION OF UNDERREPRESENTED AND UNDERSERVED POPULATIONS

"Sec. 109. In providing financial assistance under this title, the Foundation shall make every effort to ensure that consideration is given to proposals which contain provisions designed to meet the needs of underrepresented and underserved populations.

"AVAILABILITY OF FUNDS

"Sec. 110. Funds to carry out this title for any fiscal year shall be made available from amounts appropriated pursuant to annual authorizations of appropriations for the National Science Foundation for Science and Engineering Education. For fiscal year 1986, funds to carry out this title shall be available from amounts authorized by section 102(a)(8) of the National Science Foundation Authorization Act for fiscal year 1986.

"PROHIBITION AGAINST THE FEDERAL CONTROL OF EDUCATION

"Sec. 111. The provisions of section 432 of the General Education Provisions Act, relat-

ing to prohibition against Federal control of education, shall apply to each program and award authorized by this title.

"PARTICIPATION OF TEACHERS FROM PRIVATE SCHOOLS

"SEC. 112. The Foundation shall, after consultation with appropriate private school representatives, make provision for the benefit of teachers in private elementary and secondary schools in the programs authorized by this title, in order to assure equitable participation of such teachers.".

PART B—EDUCATION FOR ECONOMIC SECURITY

DEFINITIONS

SEC. 221. Section 3(1) of the Act is amended by striking out "section 195(2) of the Vocational Education Act of 1965" and inserting in lieu thereof "section 521(3) of the Carl D. Perkins Vocational Educational Act.".

PROGRAM REAUTHORIZATION

SEC. 222. (a) Section 203(b) of the Act is amended—

(1) by striking out "and", and

(2) by inserting after "1985" a comma and the following: "and $350,000,000 for each of the fiscal years 1986, 1987, and 1988".

(b) Section 205 of the Act is amended by striking out "the fiscal years 1984 and 1985" each place it appears and inserting in lieu thereof "the fiscal years 1984, 1985, 1986, 1987, and 1988".

STATE ALLOTMENTS

SEC. 223. (a) Section 204(a)(2) of the Act is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by striking out "the remaining 10 per centum" and inserting in lieu thereof "9 per centum of such amount"; and

(3) by adding at the end thereof the following new subparagraph:

"(B) The Secretary shall reserve the remaining 1 per centum to carry out the provisions of subsection (c).".

(b) Section 204(c) of the Act is amended to read as follows:

"(c)(1) From the amount reserved for each fiscal year under subsection (a)(2)(B), the Secretary shall allot—

"(A) not less than one-half of that amount to whatever agency the Secretary determines appropriate for programs authorized by this title for children in elementary and secondary schools operated for Indian children by the Department of the Interior; and

"(B) the remainder of that amount among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title.

"(2) The Secretary shall make payments under paragraph (1)(A) on whatever terms the Secretary determines will best carry out the purpose of this title.".

ELEMENTARY AND SECONDARY EDUCATION PROGRAM

SEC. 224. (a) Section 206(b)(1)(A) of the Act is amended by striking out "inservice training" and inserting in lieu thereof "training, inservice training,".

(b)(1) Section 206(b)(1)(B) of the Act is amended to read as follows:

"(B) if the local educational agency determines that the agency has met its need for training, inservice training, and retraining under subparagraph (A), subject to the provisions of section 210(c), such training, inservice training, and retraining in the fields of computer learning and foreign languages, and the acquisition of instructional materials and equipment related to mathematics and science instruction.".

(2) The third sentence of section 206(b)(1) is amended by striking out "private" before "organizations,".

(3) The fifth sentence of section 206(b)(1) of the Act is amended by inserting "training," before "inservice training".

(c) Section 206(b)(2)(A) of the Act is amended to read as follows:

"(2)(A) The State educational agency shall distribute 50 per centum of the funds available under this subsection to local educational agencies according to the relative enrollments in public and private nonprofit schools within the school district of such agencies. Such relative enrollments may be calculated, at the option of the State educational agency, on the basis of the total number of children enrolled in public schools and (i) private nonprofit schools, or (ii) private nonprofit schools desiring that their children and teachers participate in programs or projects assisted under this title. Nothing in the preceding sentence shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within their school districts in order to determine whether such schools desire that their children and teachers participate in programs or projects assisted under this title.".

(d) The first sentence of section 206(d) of the Act is amended—

(1) by striking out "for demonstration and exemplary programs" in the matter preceding clause (1); and

(2) by inserting "demonstration and exemplary programs for" immediately after the clause designation in clauses (1), (2), and (3), respectively.

HIGHER EDUCATION

SEC. 225. (a) Section 207(b)(2)(B) of the Act is amended to read as follows:

"(B) retraining of secondary school teachers who specialize in disciplines other than the teaching of mathematics, science, foreign languages, or computer learning to specialize in the teaching of mathematics, science, foreign languages, or computer learning, including the provision of stipends for participation in institutes authorized under title I; and".

(b)(1) Section 207(b)(2)(C) of the Act is amended by striking out "and science" and inserting in lieu thereof a comma and the following: "science, foreign languages".

(2) The second sentence of section 207(b)(2) of the Act is amended by inserting after "science" a comma and the following: "foreign languages".

(c) The first sentence of section 207(c)(1) of the Act is amended—

(1) by striking out "private nonprofit organizations" and inserting in lieu thereof "nonprofit organizations"; and

(2) by inserting "computer learning" immediately before "and critical foreign languages".

STATE ASSESSMENT

SEC. 226. (a)(1) The second sentence of section 208(a) of the Act is amended by striking out "section 210" and inserting in lieu thereof "section 210(b)".

(2) The fourth sentence of section 208(a) of the Act is amended by striking out "first" and inserting "preliminary".

(b) Section 208(c)(1)(E) of the Act is amended by striking out "public" and inserting in lieu thereof "nonprofit".

(c) Section 208 of the Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall prepare and submit to the Congress a summary report of the final version of the assessments submitted by States under subsection (a) as soon as practicable after the receipt of such assessments.".

STATE APPLICATION

SEC. 227. Section 209(b) of the Act is amended—

(1) by striking out "sections 207 and 208" in clause (1) and inserting in lieu thereof "sections 206 and 207";

(2) by striking out "sections 207 and 208" in clause (3) and inserting in lieu thereof "sections 206 and 207";

(3) by striking out "by local educational agencies, institutes of higher education, junior or community colleges, and other organizations for programs described in section 206" in clause (4)(A) and inserting in lieu thereof "for programs described in sections 206 and 207"; and

(4)(A) by striking out "of such funds, be available for" in clause (6) and inserting in lieu thereof "of such Federal funds, be available from non-Federal sources for";

(B) by striking out "sections 207 and 208" in clause (6) and inserting in lieu thereof "sections 206 and 207"; and

(C) by inserting before the semicolon in clause (6) the following: "from non-Federal sources".

LOCAL EDUCATION ASSESSMENTS

SEC. 228. The first sentence of section 210(c) of the Act is amended—

(1) by striking out "retraining" and inserting in lieu thereof "training, retraining,"; and

(2) by striking out "its funds" and inserting in lieu thereof the following: "all or a portion of its funds".

PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE SCHOOLS

SEC. 228A. (a) Section 211(a) of the Act is amended by inserting "nonprofit" before "elementary".

(b) Section 211(b) of the Act is amended by inserting "nonprofit" before "elementary".

(c) Section 211(c) of the Act is amended by inserting "nonprofit" after "private".

SECRETARY'S DISCRETIONARY FUND FOR PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 229. (a) Section 212(a) of the Act is amended to read as follows:

"(a) From the amount reserved by the Secretary under section 204(a)(2)(A), the Secretary is authorized to carry out directly, or through grants, cooperative agreements, or contracts, projects which are authorized by this section.".

(b) Section 212(b)(1) of the Act is amended—

(1) by striking out "make grants to" in the first sentence and inserting in lieu thereof "make grants to and enter into cooperative agreements with"; and

(2) by striking out "awarding of grants" in the third sentence and inserting in lieu thereof "awarding of grants and cooperative agreements".

PAYMENTS

SEC. 230. Section 213(a) of the Act is amended by striking out "section 211" and inserting in lieu thereof "section 212".

PART C—PARTNERSHIPS IN EDUCATION FOR MATHEMATICS, SCIENCE, AND ENGINEERING

ADMINISTRATIVE AMENDMENT

SEC. 231. Title III of the Act is amended by striking out "Foundation" wherever it appears (other than in section 303(3)) in such title and inserting in lieu thereof "Secretary".

DEFINITIONS

SEC. 232. Section 303 of the Act is amended:

(1) by inserting "and" at the end of clause (2);

(2) by striking out clauses (3), (4), and (5); and

(3) by redesignating clause (6) as clause (3).

PARTNERSHIP PROGRAM AUTHORIZATION

SEC. 233. Section 304(b) of the Act is amended to read as follows:

"(b) There are authorized to be appropriated $50,000,000 for each of the fiscal years 1986, 1987, and 1988, to carry out the provisions of this title.".

PART D—PRESIDENTIAL AWARDS

AUTHORIZATION AND AVAILABILITY OF FUNDS

SEC. 241. (a) Section 403(a) of the Act is amended to read as follows:

"(a) Funds to carry out this title for any fiscal year shall be made available from amounts appropriated pursuant to annual authorizations of appropriations for the National Science Foundation for Science and Engineering Education. For fiscal year 1986, funds to carry out this title shall be available from amounts authorized by section 102(a)(8) of the National Science Foundation Authorization Act for fiscal year 1986. Not more than $1,000,000 are authorized to be available to carry out this title.".

(b) Section 403(b) of the Act is amended by inserting after "subsection (a)" the following: "and amounts made available under subsection (a)".

PART E—EXCELLENCE IN EDUCATION

PROGRAM REAUTHORIZATION

SEC. 251. Section 604(b)(1) of the Act is amended by striking out "the fiscal years 1984 and 1985" and inserting in lieu thereof "the fiscal year 1984 and each of the succeeding fiscal years ending prior to October 1, 1988,".

PART F—MAGNET SCHOOLS ASSISTANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 261. Section 701 of the Act is amended by striking out "and 1986" and inserting in lieu thereof "1986, 1987, and 1988".

STATEMENT OF PURPOSE

SEC. 262. Section 703 of the Act is amended to read as follows:

"STATEMENT OF PURPOSE

"SEC. 703. It is the purpose of this title to support, through financial assistance to eligible local educational agencies—

"(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial portions of minority students; and

"(2) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.".

USES OF FUNDS

SEC. 263. Section 706 of the Act is amended to read as follows:

"USES OF FUNDS

"SEC. 706. Grants made under this title may be used by eligible local educational agencies for—

"(1) planning and promotional activities directly related to expansion and enhancement of academic programs and services offered at magnet schools;

"(2) the acquisition of books, materials, and equipment including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools; and

"(3) the payment of or subsidization of the compensation of elementary and secondary school teachers who are certified or licensed by the State and who are necessary for the conduct of programs in magnet schools;

where with respect to clauses (2) and (3), such assistance is directly related to improving the knowledge of mathematics, science, history, English, foreign languages, art, or music, or to improving vocational skills.".

MODIFICATION OF PROHIBITION

SEC. 264. Section 709 of the Act is amended to read as follows:

"PROHIBITIONS

"SEC. 709. Grants under this title may not be used for consultants, for transportation, or for any activity which does not augment academic improvement.".

TITLE III—LIBRARY SERVICES PROGRAM

LIBRARY SERVICES AND CONSTRUCTION ACT AMENDMENTS

SEC. 301. (a) Section 3(12) of the Library Services and Construction Act (20 U.S.C. 351a(12)) (hereafter in this title referred to as the "Act") is amended by striking out "five-year program" and inserting in lieu thereof "program of not less than three nor more than five years".

(b) Section 3(15) of the Act is amended—

(1) by inserting "by the Secretary of the Interior" after "recognized"; and

(2) by striking out ", as determined by the Secretary after consultation with the Secretary of the Interior".

APPLICABILITY OF PUBLIC LIBRARY PROVISIONS TO HAWAIIAN NATIVE PROGRAM

SEC. 302. (a)(1) The first sentence of section 5(d)(2) of the Act (20 U.S.C. 351c(d)(2)) is amended by striking out "sections 403" and inserting in lieu thereof "sections 402(b), 403,".

(2) The second sentence of section 5(d)(2) of the Act is amended by inserting immediately before the period ", to contract to provide public library services to Native Hawaiians, and to carry out any other activities authorized under this sentence by contract".

(3) Section 5(d)(2) of the Act is amended by adding at the end thereof the following new sentence: "The Secretary shall issue criteria for the approval of applications and plans but the criteria may not include an allotment formula and may not contain a matching of funds requirement.".

(b) Section 6(b)(4) of the Act (20 U.S.C. 351d(b)(4)) is amended by inserting "(as defined in section 703(a) of the Bilingual Education Act)" after "limited English-speaking proficiency".

CORRECTION OF ADMINISTRATIVE COST MISINTERPRETATION

SEC. 303. (a) The references in section 8 of the Act (20 U.S.C. 351f) to "such titles" mean, and shall be construed as meaning, the immediately preceding reference to "titles I, II, and III".

(b) The matter preceding clause (1) of section 102(b)(1) of the Act (20 U.S.C. 353(b)(1)) is amended by striking out "this title" and inserting in lieu thereof "this Act".

MAJOR URBAN RESOURCE LIBRARY RESERVED AMOUNTS

SEC. 304. Section 102(c)(1) of the Act (20 U.S.C. 353(c)(1)) is amended by inserting "(excluding the amount made available for Indian tribes and Hawaiian natives)" after "section 4(a)".

SERVICES TO TRIBES IN STATES WITHOUT INDIAN RESERVATIONS

SEC. 305. Title IV of the Act (20 U.S.C. 361 et seq.) is amended by adding at the end thereof the following new section:

"SERVICES IN STATES WITH INDIAN TRIBES NOT RESIDING ON OR NEAR RESERVATIONS

"SEC. 406. The provisions of this title requiring that services be provided on or near Indian reservations, or to only those Indians who live on or near the Indian reservations, shall not apply in the case of Indian tribes and Indians in California, Oklahoma, and Alaska.".

TITLE IV—MINORITY INSTITUTIONS; MIGRATORY CHILDREN PROGRAM

MINORITY INSTITUTIONS SCIENCE IMPROVEMENT PROGRAM AUTHORIZATION

SEC. 401. The General Education Provisions Act is amended—

(1) by redesignating section 406A (as added by the Education Amendments of 1980; 94 Stat. 1497) as section 406B; and

(2) by inserting after such section the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

"SEC. 406C. There are authorized to be appropriated $5,000,000 for each of the fiscal years 1985 and 1986 for the purpose of carrying out the Minority Institutions Science Improvement Program transferred to the Secretary of Education from the National Science Foundation by section 304 of the Department of Education Organization Act.".

MIGRATORY CHILDREN RECORDS SYSTEM

SEC. 402. Section 143(a) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by striking out "grants to, or enter into contracts with," and inserting in lieu thereof "enter into contracts with"; and

(2) by adding at the end thereof the following: "For the purpose of ensuring continuity in the operation of such system, the Secretary shall, not later than July 1 of each year, continue to award such contract to the State educational agency receiving the award in the preceding year, unless a majority of the States notify the Secretary in writing that such agency has substantially failed to perform its responsibilities under the contract during that preceding year. No activity under this section shall, for purposes of any Federal law, be treated as an information collection that is conducted or sponsored by a Federal agency.".

TITLE V—HARRY S TRUMAN MEMORIAL SCHOLARSHIP PROGRAM

PROGRAM AMENDMENT

SEC. 501. Section 8 of the Harry S Truman Memorial Scholarship Act is amended by striking out "$5,000" and inserting in lieu thereof "$10,000 (adjusted annually to reflect increases, if any, in the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics)".

TITLE VI—EDUCATION OF THE HANDICAPPED ACT

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS

SEC. 601. (a) Section 611(c)(2)(A)(II) of the Education of the Handicapped Act (20 U.S.C. 1411(c)(2)(A)(i)(II)) is amended by striking out "300,000" and inserting in lieu thereof "350,000".

(b) Section 611(c)(1)(B) of such Act is amended by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)".

EFFECTIVE DATE

SEC. 602. The amendment made by section 601(a) shall take effect on July 1, 1985.

TITLE VII—CARL D. PERKINS VOCATIONAL EDUCATION ACT TECHNICAL AMENDMENTS

TERRITORIAL HOLDHARMLESS

SEC. 701. Section 101(a)(3)(D) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2311(a)(3)(d)) (hereafter in this title referred to as the "Act") is repealed.

STATE ALLOCATION

SEC. 702. Section 102 of the Act is amended to read as follows:

"WITHIN STATE ALLOCATION

"SEC. 102. (a)(1) Each State shall reserve from its allotment of funds appropriated under section 3(a) for each fiscal year an amount that does not exceed 7 percent of the allotment for State administration of the State plan. If the cost of carrying out the provisions of section 111(b) exceeds 1 percent of a State's allotment of funds appropriated under section 3(a), the State may reserve that excess amount from that allotment in addition to the 7 percent authorized by the preceding sentence.

"(2) The amount reserved under paragraph (1) shall be considered as part of that portion of the State's allotment that is retained for State activities and is not distributed under section 113(b)(4).

"(b) From the remainder of its allotment of funds appropriated under section 3(a), each State shall reserve for each fiscal year—

"(1) 57 percent for activities described in part A of title II; and

"(2) 43 percent for activities described in part B of title II.".

STATE COUNCIL ON VOCATIONAL EDUCATION

SEC. 703. (a) Section 112(b) of the Act is amended to read as follows:

"(b) The State shall certify to the Secretary the establishment and membership of the State council by the beginning of each State plan period described in section 113(a)(1).".

(b) Section 112(d) of the Act is amended by striking out "(d)" and all that follows through clause (1) and inserting in lieu thereof the following:

"(d) During each State plan period described in section 113(a)(1), each State council shall—

"(1) meet with the State board or its representatives to advise on the development of the subsequent State plan;".

(c)(1) Section 112(f)(1)(A) of the Act is amended by striking out "From" and inserting in lieu thereof "Except as provided in subparagraph (B), from".

(2) Section 112(f)(1)(B) of the Act is amended to read as follows:

"(B) From the amounts appropriated pursuant to section 3(c), for each fiscal year, the Secretary shall make grants of $50,000 to the State councils of the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

STATE PLANS

SEC. 704. Section 113(b)(9)(C) of the Act is amended by striking out "not less than" and all that follows through "year" and inserting in lieu thereof "the projects, services, and activities supported under this Act of not less than 20 percent of the participating eligible recipients within the State in each fiscal year".

WITHIN STATE ALLOCATION

SEC. 705. Section 203(a)(3) of the Act is amended to read as follows:

"(3) The State board shall ensure that each eligible recipient that receives funds under paragraph (2) uses those funds to provide vocational education services and activities for individuals with limited English proficiency at least in proportion to the number of such individuals enrolled by that eligible recipient in the fiscal year preceding the fiscal year in which the determination is made as compared to the total number of disadvantaged individuals, including individuals with limited English proficiency, so enrolled in that fiscal year.".

CONSUMER AND HOMEMAKING EDUCATION

SEC. 706. (a) The heading of part B of title III of the Act is amended to read as follows:

"PART B—CONSUMER AND HOMEMAKING EDUCATION".

(b)(1) The first sentence of section 311 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking".

(2) The heading of section 311 of the Act is amended to read as follows:

"CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(c)(1) Subsection (b) of section 312 of the Act is amended by striking out "homemaker" and inserting in lieu thereof "homemaking" both places it appears.

(2) The heading of section 312 of the Act is amended to read as follows:

"USE OF FUNDS FROM CONSUMER AND HOMEMAKING EDUCATION GRANTS".

(d) The table of contents of the Act is amended by striking out the items relating to part B of title III and sections 311 and 312 and by inserting in lieu thereof the following:

"PART B—CONSUMER AND HOMEMAKING EDUCATION

"Sec. 311. Consumer and homemaking education grants.

"Sec. 312. Use of funds from consumer and homemaking education grants.".

CONSUMER AND HOMEMAKING EDUCATION STATE LEADERSHIP

SEC. 707. Section 313(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

CAREER GUIDANCE AND COUNSELING STATE LEADERSHIP

SEC. 708. Section 333(b) of the Act is amended by striking out "to carry out leadership activities under this section." and inserting in lieu thereof "for State administration of projects, services, and activities under this part.".

AUTHORIZATION OF GRANTS

SEC. 709. Section 342(c) of the Act is amended by striking out "subsection (b)(2)" both places it appears and inserting in lieu thereof "subsection (b)(3)".

MODEL CENTERS FOR VOCATIONAL EDUCATION FOR OLDER INDIVIDUALS

SEC. 710. Section 417(b) of the Act is amended by inserting "shall" immediately after "subpart".

FEDERAL SHARE

SEC. 711. (a) Section 502(a) of the Act is amended in the introductory clause by striking out "shall be" and inserting in lieu thereof "shall not exceed".

(b)(1) Section 502(a)(2) of the Act is amended by striking out "not to exceed".

(2) Section 502(b) of the Act is amended by adding at the end thereof the following new sentence: "The non-Federal contributions for the costs of vocational education programs, services, and activities for the disadvantaged from local sources may be in cash or in kind, fairly valued, including facilities, overhead, personnel, equipment, and services, if the eligible recipient determines that it cannot otherwise provide such contribution.".

TRANSITION

SEC. 712. The matter preceding clause (1) of section 3(a) of Public Law 98-524 (98 Stat. 2487) is amended to read as follows: "Until July 1, 1986, a State or eligible recipient may use funds received under the Vocational Educational Act of 1963 or the Carl D. Perkins Vocational Education Act to—".

TECHNICAL AMENDMENTS

SEC. 713. (a)(1) Section 113(b)(10) of the Act (20 U.S.C. 2323(b)(10)) is amended by inserting "of 1981" after "Education Consolidation and Improvement Act".

(2) Section 113(b)(11) of the Act is amended by inserting "provide assurances" before "that".

(3) Section 504(d)(1) of the Act is amended by striking out "section 434(c)" and inserting in lieu thereof "section 453".

(4) Section 521(15) of the Act is amended by inserting "or language" immediately after "speech".

(b)(1) Section 4(a)(1)(A) of Public Law 98-524 is amended by striking out "section 4(15)" and inserting in lieu thereof "section 521(19)".

(2) Section 4(a)(6)(D) of Public Law 98-524 is repealed.

EFFECTIVE DATE

SEC. 714. (a) The provisions of this title shall take effect July 1, 1985.

(b) The amendment made by section 703(c)(2) of this Act shall not apply to funds appropriated before the date of the enactment of this Act.

TITLE VIII—HIGHER EDUCATION PROGRAMS

NATIONAL DIRECT STUDENT LOAN APPORTIONMENT

SEC. 801. (a) Section 12 of the "Student Financial Assistance Technical Amendments Act of 1982" is amended—

(1) by inserting "(a)" after the section designation; and

(2) by inserting at the end thereof the following new subsection:

"(b) Notwithstanding subsections (a) and (b) of section 462 of the Higher Education Act of 1965, if in the fiscal year 1986 the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 are less than the sums appropriated pursuant to such section for the fiscal year 1980, the Secretary shall apportion the sums appropriated pursuant to section 461(b)(1) of the Higher Education Act of 1965 for such fiscal year among the States so that each State's apportionment bears the same ratio to the total amount appropriated as that State's apportionment in fiscal year 1980 bears to the total amount appropriated pursuant to section 461(b)(1) for the fiscal year 1980.".

(b) The amendments made by this section shall take effect October 1, 1985.

NATIONAL GRADUATE FELLOWS PROGRAM

SEC. 802. The last sentence of section 931(a) of the Higher Education Act of 1965 is amended to read as follows: "In the fiscal year beginning October 1, 1985, and each succeeding fiscal year, all funds appropriated in each fiscal year shall be awarded to students by April 1 of the fiscal year for which the funds were appropriated. All funds appropriated in a fiscal year shall be

obligated and expended to the students for fellowships for use in the academic year beginning after July 1 of the fiscal year for which the funds were appropriated. The fellowships shall be awarded for only 1 academic year of study and shall be renewable for a period not to exceed 4 years of study.".

Mr. HATCH. Mr. President, I am very pleased to present to the Senate the National Science Foundation Authorization Act for fiscal year 1986. This bill represents the combined efforts of four congressional committees: the Senate Labor and Human Resources, and Commerce, Science and Transportation Committees; and the House Science and Technology, and Eduction and Labor Committees. We believe this is a good piece of legislation.

As my colleagues know, we have not passed NSF authorizing legislation for 5 years. The absence of congressional direction has been taking its toll on several of NSF's programs; lack of an authorization has created ambiguity and confusion regarding congressional intent. I hope that enactment of this legislation will rectify this situation and will give legitimacy to NSF's activities in basic research as well as science and math education.

In addition to authorizing specific funding levels for each NSF activity, the bill also reauthorizes the Education for Economic Security Act. We have made some changes in this legislation. First, we have better defined the obligations of NSF in science, math, and engineering education. These are to: Conduct teacher institutes, assist in materials development and methods research, promote programs for the public understanding of science and technology, award graduate fellowships, and administer the Presidential Awards for Excellence in Science and Mathematics Teaching. The Foundation is also authorized to expend up to 15 percent of the funds allocated for science and engineering education for projects which it determines meet one or more of the specified functional objectives.

Second, we have clarified our intention with regard to the partnership concept built into the Education for Economic Security Act. Rather than require joint applications, we have amended Public Law 98-377 to require only that those who apply for the NSF grants from the institute, or materials and methods development programs include the appropriate education agencies in planning the project. Institutions of higher education, professional scientific societies, museums, libraries, or others need the input of local school administrations and of classroom teachers who are the ultimate user of these resources. Likewise, educators need the expertise and fresh ideas which higher education, professional societies, and museums and others can supply.

It should be noted that there is no financial or in-kind match required for teacher institute programs, although Congress believes the commitment of funds or facilities more clearly demonstrates a strong partnership. There is a mandatory match for materials development or methods research grants. The percentage is not specified to allow NSF flexibility in awarding the most promising proposals. However, the Congress feels strongly that the match requirement is necessary to promote cooperation among diverse entities among whom there have been few previous connections.

The Partnerships in Education Program, title III of the Education for Economic Security Act (Public Law 98-377), has been moved to the Department of Education where it is expected to find a home in the Office of Educational Research and Improvement. This change was made to take advantage of each agency's particular strengths in program administration. The Congress has high hopes for this program.

While NSF has long carried out a program of graduate fellowships, such a program has never been formally authorized. The amendment of the House adopts the Senate's provisions making a program for graduate fellowships one of the three main activities of the Science and Engineering Education Directorate.

This bill also reauthorizes the other provisions of the Education for Economic Security Act, with some technical amendments. These provisions include the Block Grant Program administered by the Department of Education to help State and local education agencies develop teacher training, retraining, and inservice training programs in math and science education, the Excellence in Education Program, and the Magnet Schools Program. The amendment also includes technical amendments to such ongoing education programs as the Harry S. Truman Scholarships, Education for the Handicapped, Library Services, and the Carl Perkins Vocational Education Acts.

In closing, Mr. President, I want to take a minute to thank my colleagues in the Senate for their outstanding participation and cooperation, especially Senators STAFFORD, QUAYLE, KENNEDY, and PELL from the Labor and Human Resources Committee, as well as Senators DANFORTH, GORTON, and HOLLINGS from the Commerce, Science and Transportation Committee. I would also be remiss not to recognize our staffs who have worked diligently to put the pieces of this legislation together. In particular, I want to thank Polly Gault, Liz Hackett, Ellen Congleton, Betsy Brand, Mona Sarfaty, David Evans, Sandy Crary, Ann Young, Cassie Phillips, Pat Windham, and Kris Iverson. Also, we have had excellent meetings with our counterparts on the House side, and I want to thank Representatives DON FUQUA, DOUG WALGREN, MANUEL LUJAN, SHERWOOD BOEHLERT, JOE SKEEN, GUS HAWKINS, DALE KILDEE, JIM JEFFORDS, and BILL GOODLING for their efforts. Rob Ketchum, Grace Ostenso, Joyce Freiwald, Maryanne Bach, Jack Jennings, Nancy Kober, Beth Buehlmann, and Andy Hartman represented them well. We had some real teamwork getting this bill passed and, as chairman of the Labor Committee, I am very proud to have been a member of the team.

Mr. President, I move the adoption of H.R. 1210 as amended.

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

Mr. DOLE. I move to reconsider the vote.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 91

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed

notice, stating that the Iran emergency is to continue in effect beyond November 14, 1985, to the *Federal Register* for publication. Similar notices were sent to the Congress and the *Federal Register* on November 12, 1980, November 12, 1981, November 8, 1982, November 4, 1983, and November 7, 1984.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. Although the international tribunal established to adjudicate claims of U.S. nationals against Iran and of Iranian nationals against the United States continues to function, full normalization of commercial and diplomatic relations between the United States and Iran will require more time. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of implementing the January 1981 agreements with Iran and in the eventual normalization of relations with that country.

RONALD REAGAN

THE WHITE HOUSE, *November 1, 1985.*

MESSAGES FROM THE HOUSE

At 11:05 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the text of the bill (H.R. 505) to amend title 38, United States Code, to improve the delivery of health care services by the Veterans' Administration, and for other purposes, with an amendment, in which it requests the concurrence of the Senate, and that the House agrees to the amendment of the Senate to the title of the bill.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3629. An Act making appropriations for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

At 12:12 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 145. Joint resolution designating November 1985 as "National Diabetes Month."

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. THURMOND].

At 2:22 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 1078) to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House: Mr. DINGELL, Mr. FLORIO, Ms. MIKULSKI, Mr. BROYHILL, and Mr. LENT; and as additional conferees, solely for the consideration of subsections 16 (b), (c), and (d), and section 17 of the Senate bill, and modifications thereof committed to conference: Mr. WAXMAN and Mr. MADIGAN; and as additional conferees, solely for the consideration of sections 16 and 17 of the Senate bill, and modifications thereof committed to conference: Mr. MOAKLEY, Mr. FROST, and Mr. LOTT.

The message also announced that the House insists upon its amendments to the bill (S. 1570) to amend the Fair Labor Standards Act of 1938 to provide rules for overtime compensatory time off for certain public agency employees, to clarify the application of that act to volunteers, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. HAWKINS, Mr. CLAY, Mr. MURPHY, Mr. WILLIAMS, Mr. JEFFORDS, Mr. PETRI, and Mr. BARTLETT as managers of the conference on the part of the House.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 207. A concurrent resolution to recognize the twentieth anniversary of the Higher Education Act of 1965 and reaffirm its purpose.

At 3:26, a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House recedes from its disagreement to the amendment of the Senate numbered 3 to the joint resolution (H.J. Res. 372) increasing the statutory limit on the public debt, and agrees thereto, and that it recedes from its disagreement to the amendments of the Senate numbered 1 and 2, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 1903. An act to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Chippewas of Lake Superior in Dockets Numbered 18-S, 18-U, 18-C, and 18-T before the Indian Claims Commission, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

At 5:41 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3669. An act to prevent the disinvestment of the Social Security Trust Funds and other trust funds.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3629. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes; to the Committee on Appropriations.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, November 1, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 145. Joint resolution designating November 1985 as "National Diabetes Month."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. TRIBLE (for himself and Mr. ARMSTRONG):

S. 1817. A bill to suspend temporarily most-favored-nation treatment to Romania; to the Committee on Finance.

By Mr. DENTON (for himself and Mr. DECONCINI):

S. 1818. A bill to prevent sexual molestation of children in Indian country; to the Committee on the Judiciary.

By Mr. ARMSTRONG (for himself and Mr. HART):

S. 1819. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Cache la Poudre River and the South Fork of the Cache la Poudre River in Colorado as a component of the National Wild and Scenic River System; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI:

S. 1820. A bill to provide financial assistance to State and local educational agencies for the development and expansion of demonstration chemical and substance abuse prevention programs in the public elementary and secondary schools of such agencies, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LEAHY:

S. 1821. A bill entitled the Nuclear Waste Reform Act of 1985"; to the Committee on Environment and Public Works.

By Mr. THURMOND (for himself, Mr. LEAHY, Mr. LAXALT, Mr. HATCH, Mr. GRASSLEY, Mr. SPECTER, Mr. MCCONNELL, Mr. SIMON, Mr. SASSER, Mr. DIXON, Mr. DANFORTH and Mr. QUAYLE):

S. 1822. A bill to amend the Copyright Act in section 601 of title 17, United States Code, to provide for the manufacturing and public distribution of certain copyrighted

material; to the Committee on the Judiciary.

By Mr. ROCKEFELLER (for himself, Mr. MATSUNAGA and Mr. BINGAMAN):

S. 1823. A bill to strengthen the technological literacy of the Nation through demonstration programs of technology education; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TRIBLE (for himself and Mr. ARMSTRONG):

S. 1817. A bill to suspend temporarily most-favored-nation treatment to Romania; to the Committee on Finance.

SUSPENSION OF MOST-FAVORED-NATION TRADE STATUS FOR ROMANIA

Mr. TRIBLE. Mr. President, I am introducing legislation today together with my friend and colleague from Colorado, Senator ARMSTRONG, which addresses the ongoing religious persecution in Romania by suspending most-favored-nation status toward that country for 6 months.

Romania severely proscribes all forms of political and religious freedoms. And the right of religious belief and worship is under the most severe attack today.

Despite constitutional guarantees of religious freedom, the exercise of that fundamental freedom is greatly limited by the Romanian State. The Romanian Department of Cults licenses and monitors all clergymen and must also approve all requests for new church construction, additional clergymen, and extra religious publications.

The shortage of such publications in Romania is severe. Bibles are in short supply, and their importation is tightly regulated. Moreover, as the preamble to the bill I am sponsoring points out, reports have reached the United States of Romanian Bibles having been recycled for the production of toilet paper.

In addition, the activities of Christian activists in Romania are strictly controlled. Telephone conversations of Romanian religious dissidents are often tapped or interrupted and Romanian citizens are frequently denied the right to travel to religious gatherings.

Despite this record of oppression, Romania continues to reap the benefits of most-favored-nation status with the United States, which significantly reduces tariffs on Romania.

Pursuant to the Jackson-Vanik amendment, the administration is required to certify that Romania is making progress in human rights in order for that nation to continue to receive MFN privileges.

It is true that Romania recently released Father Gheorgle Calciu, a priest who had been imprisoned by the Romanians for more than 21 years. And for that we can rejoice, for one more of the world's religious dissidents has joined the ranks of free men.

But Father Calciu's plight is but one example of the suffering that Romania continues to inflict on religious believers. The vast majority of Christians in Romania remain at risk. The release of one brave man is not enough to ease the plight of all religious believers in Romania.

Consider the following cases:

Keston College reported several weeks ago on an attack by Romanian authorities on a Roman Catholic priest who refused to make incriminating statements about his parishioners. Father Janos Csilik was beaten severely.

Rev. Istavan Tokes, an international respected theologian and a senior official of the Hungarian Reformed Church, after strong official pressure, was fired in November 1983 from his position as professor at the Protestant Theological Seminary, and in May 1984 was dismissed from his post as assistant bishop. He continues to be monitored.

Rev. Laszlo Tokes, son of Istvan Tokes and also a minister of the Hungarian Reformed Church, was banisned from his congregation in Des to a remote village in May 1984.

Felicia Russo, a convert to the Pentecostal Church in Lugoj, has been repeatedly harassed by authorities since her conversion. She was expelled from the university and denied a passport. Currently, she can get only menial jobs for which, church sources report, she is paid approximately $4 (U.S.) a month.

This kind of religious persecution has influenced Senator Armstrong and one to sponsor this legislation to temporarily suspend Romania's MFN status for 6 months. During that time, the President must assess the status of religious liberty and political freedom in Romania, and recommend whether sufficient progress has been made to warrant the restoration of MFN status.

Mr. President, this legislation will strengthen America's commitment to human rights and religious liberty. It is identical to a bill sponsored in the House by Representatives FRANK WOLF, CHRIS SMITH, and TONY HALL, who recently traveled to Romania, and I urge my colleagues to join Senator ARMSTRONG and me in cosponsoring this important legislation.

Mr. ARMSTRONG. Mr. President, the continuation of most-favored-nation status for Romania comes before the Senate each year, and every year we once again allow continuation regardless of the fact that the Ceausescu regime violates the conditions for its continuation—namely free emigration and basic human rights for Romanians.

As my colleagues will remember, when the Trade Act of 1974 passed attached to it was the so-called Jackson-Vanik amendment. This amendment prohibits granting MFN treatment, government credits or investment guarantees, or the negotiation of commercial agreements to a nonmarket country that fails to promote human rights, particularly the right to emigrate.

In 1975, we gave MFN status to Romania because of a number of promising developments in that country. Romania had refused to become fully integrated with the Council of Mutual Economic Assistance [COMECON] of the Soviet bloc and it began to show nationalistic tendencies rather that rotely following Moscow's agenda in the international community. Over the years, Romania has continued to step out of the Soviet line on occasion such as adopting diplomatic relations with Israel, following a less anti-Western voting record in the United Nations, and only participating in a limited manner in Warsaw Pact activities.

Unfortunately, the trend toward progress has not only stopped, it has reversed itself. Last year, Romania's voting record in the United Nation was more anti-Western than the Soviet Union. According to news reports, the Soviet Union is now actively involved in a growing number of internal Romanian activities—including broad overview of the economy even to the factory level, close ties with the Romanian secret police, and the borrowing of technology Romania receives from the West.

Romania's human rights record is even more appalling. In fact, the Helsinki Watch Committee has stated, "Romania is generally considered to be one of the most egregious human rights offenders in Eastern Europe." Clearly, the Jackson-Vanik amendment sought an improvement in human rights in the Soviet bloc. Romania has made a mockery of our generosity.

Emigration, the primary concern of Jackson-Vanik, has been severely restricted. While it is true that emigration numbers are up, those receiving permission to leave are not the people I believe Senator Jackson and Congressman Vanik had in mind. According to former Ambassador to Romania David Funderburk,

> We were outfoxed by [Romanian President] Ceausescu. He in effect dumped people on us like a mini-Marie—Cuban boatlift. Hundreds of those approved for emigration were undesirables. Meantime, many of those we wanted out are still waiting for official permission.

The consequences of legitimately applying for permission to emigrate are severe. During the lengthy processing delays—sometimes for years—many lose their jobs, are evicted from their houses, are denied education for their children, and lose their medical benefits.

Romania's record on other human rights is not better. The Ceausescu government is steadily increasing its denial of religious freedom. Travel to religious gatherings and funerals is forbidden. Clergy have been imprisoned, held under house arrest, beaten, and some have simply disappeared.

Several years ago the World Reformed Alliance sent 20,000 Bibles to the Hungarian Reformed Church in Romania. They did so because the government has not allowed the printing of Bibles and hymnals for years. The Bibles which were sent mysteriously disappeared. After a long silence, the Bibles reappeared in the form of toilet paper.

Labor has also experienced the denial of basic human rights. Virtually no expression of worker dissatisfaction is tolerated. In 1977, a large-scale strike by 35,000 coal miners was swiftly, brutally suppressed. Thousands of workers were fired or forced to leave the area and the leaders were arrested. In a 1979 attempt to form a trade union, two leaders of the movement were confined to psychiatric institutions while a third was imprisoned.

Minorities have, for all practical purposes, become nonpersons. The largest minority, the Hungarians, have had their schools closed, are forced into less desirable jobs, have been denied television broadcasting in their own language, and live in constant fear of the secret police.

At one time, it made some sense for the United States to grant favors to Romania in the hope of getting something in return. But quite clearly, progress is not being made and the denial of human rights is growing. In addition, Romania no longer exhibits any more than token independence from Soviet policy.

According to the State Department and many Eastern Bloc experts, the Ceausescu regime desperately wants to keep most favored nation status. However, it is not willing to live by the conditions under which MFN status was granted. Therefore, I believe we in the Congress must firmly state that concrete progress must be made before most-favored-nation status is granted.

Today I am joining Senator TRIBLE in introducing legislation to suspend MFN status to Romania for 6 months. During that interval, the President is directed to assess the status of civil liberties and human rights in Romania and recommend to Congress whether the suspension should be extended and, if so, for what period.

MFN status can be strong leverage for improving the civil liberties and human rights of people suffering under Communist tyranny. It should be granted only after serious deliberation, and it should be continued only when significant progress is made in furthering basic rights. MFN status is a privilege. Until significant, consistent progress is exhibited in Romanian Government policy, this privilege should not be granted.

I ask unanimous consent related materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 26, 1985.

WHY ROMANIA NO LONGER DESERVES TO BE A MOST FAVORED NATION

INTRODUCTION

"We were outfoxed." This is how David Funderburk, the recent United States Ambassador to Romania, describes U.S. relations with that Soviet bloc country. Funderburk's charges are very serious. Bucharest has enjoyed special treatment from Washington for decades, ostensibly as a reward for improving the human rights condition of Romanians and for pursuing a foreign policy independent of the line that Moscow imposes on the rest of Eastern Europe. It is now, however, the judgment of Funderburk and an increasing number of experts that while the U.S. has lived up to its part of the deal and granted Bucharest generous credit and trade benefits, Bucharest has reneged on its part. The past decade, for instance, has seen steady deterioration rather than improvement of Romanian human rights. Emigration remains carefully controlled and very restricted. And Romania's claim of following an independent foreign policy is an elaborate charade.

In short, for two decades the U.S. has been swindled in its bargain with Romania. It thus is time to rethink this deal. The place to start is with the Most Favored Nation (MFN) trade status, which Romania has enjoyed with the U.S. since 1975, something of enormous economic and symbolic benefit to Bucharest. The Reagan Administration should reverse a policy that has failed to improve the lot of Romanians or to help the U.S. diplomatically. The Administration should ask Congress to deny Romania Most Favored Nation privileges now that MFNL is up for its annual review.

ROMANIA'S RECORD

Romania's human rights record is among the worst in the Soviet bloc, surpassed perhaps only by the U.S.S.R. itself. The regime persecutes religious believers; it uses psychiatric hospitals for political purposes; censorship is ubiquitous; free labor unions are totally forbidden. The situation has deteriorated seriously since MFN was granted in 1975. Jeri Laber, Executive Director of the U.S. Helsinki Watch Committee, for instance, told the House Foreign Affairs Subcommittee on Human Rights and International Organizations in 1982 that his Committee's "reports are becoming increasingly difficult to compile because reliable information about events in Romania is becoming increasingly scarce. Romania is a closed society."

To be sure, since 1962 when Romania first resisted pressure to integrate with the Communist bloc economies completely under Soviet control, Bucharest has appeared to be something of a maverick in foreign affairs. It has made overtures to China; it maintains relations with Israel; it sent its team to the 1984 Los Angeles Olympics. These gestures of seeming independence from the USSR, however, must be balanced against such other factors as: Romania is believed to reexport to the USSR American goods whose sale to Moscow is banned; Romania has been campaigning for increased Soviet presence in the Middle east negotiations; and the Romanian secret service, the CIE, is totally integrated within the Soviet KGB.

In fact, according to former CIE Deputy Director and special advisor to President Nicolae Ceausescu, General Ion Mihai Pacepa, who defected to the U.S. in 1978, all significant information gathered by the CIE is offered directly to the KGB. Pacepa also estimates that "of the Romanian trade personnel abroad (in 1978), 70 percent were intelligence officers . . . . Every cooperative or joint venture with Western companies is intensively used to infiltrate to the West numerous intelligence officers and agents, for the purpose of illegally obtaining Western technology."[1]

The Soviet presence in Romania, meanwhile, is much more extensive than some State Department officials are willing to admit. U.S. Ambassador Funderburk, for example, has testified that by checking schools, registries, and license plates the U.S. Embassy in Romania found "an ungodly number" of Soviets—including Soviet agents in factories monitoring Romanian exports to the Soviet Union.[2]

And now comes the revelation that some 20,000 Bibles sent by the World Reformed Alliance to the Hungarian Reform Church in Romania were turned into toilet paper. This is one more insult to Romanian citizens who are virtually forbidden to practice their various religions.

WHY MFN STATUS FOR ROMANIA?

In 1962, Romania surprised the international community by refusing to become fully integrated with the Council for Mutual Economic Assistance (COMECON) of the Soviet bloc. Because of its domestic energy resources, Romania apparently felt that it could develop a policy somewhat different from Moscow's. The leadership hoped to gain some support from a population not only deeply anti-Russian but basically anti-communist.[3]

During the 1960s, Ceausescu came to realize that nationalism was a powerful means of gaining popular support. He thus developed a foreign policy with nationalist overtones that deviated on occasion from the Soviet line. This policy was aided at the beginning by a growing economy. But since the 1970s, Romania's energy supplies have been shrinking, and the country now must import oil. In 1983, Romanian oil imports were 12,395,000 tons, and in 1984, 10 million tons, mostly from the Middle East. Prior to 1975 Romania exported to the Soviet Union as much as 4 million tons of oil annually, but now it is seeking to import about 6 million tons from the USSR.[4] As such, Bucharest no longer is so economically independent of Moscow.

Interpreting Romania's foreign policy moves to be a sign of liberalization, the U.S. in 1975 waived for Romania the section of the 1974 Trade Act known as the Jackson-Vanik Amendment. This amendment prohibits granting MFN treatment, government credits or investment guarantees, or the negotiation of commercial agreements to a

[1] I.M. Pacepa and Michael Ledeen, "Romania Reaps Rewards of Hi-Tech Thefts," Human Events, March 16, 1985.

[2] The Washington Post, May 15, 1985.

[3] Robert King, in his "History of the Romanian Communist Party" (Stanford, California: Hoover Institution Press, 1980), states that the Party's membership in August 1944 was a negligible 1,000.

[4] See RFE/RL, "Situation Report" 5, March 13, 1985, pp. 7-10.

communist country that fails to promote human rights, particularly the right to emigrate.[5] The President may waive the prohibition annually, subject to congressional approval, and extend MFN status to a communist country. Presidents and Congresses have waived the ban on Romania since 1975 and on Hungary since 1978.

The waiver originally was granted to Romania in an effort "to create a viable framework and favorable atmosphere for the development of trade and economic cooperation."[6] And more recently, another aspect was clarified by Gary Matthews, Deputy Assistant Secretary for Human Rights and Humanitarian Affairs: "This administration and the three preceding it have looked to Romania's relatively independent foreign policy as a significant factor in the evolution of Eastern European relations with the Soviets."[7] As examples, Matthews lists Romania's dissent from the Soviet line on such Warsaw Pact and COMECON issues as: Romania's Warsaw Pact military participation is more limited than that of other members; it sent a team to the 1984 Olympics; it has maintained diplomatic relations with Israel since 1967; it hosted Israeli Prime Minister Perez in February 1985; its votes in the U.S. General Assembly have diverged more from Soviet positions that those of other Eastern European countries; and it has allowed considerable Jewish emigration.

For such actions, Romania has benefited from U.S. extension of MFN status. Politically, MFN bolsters the image of Ceausescu, one of the Eastern bloc's most ruthless dictators and the only true Stalinist left in power. Economically, total two-way trade between the U.S. and Romania increased from about $450 million in 1976 to over $1.21 billion in 1984, though U.S. exports to Romania have held virtually steady from $249 million in 1976 to $246 million in 1984. Romania has received U.S. government Export-Import Bank and Commodity Credit Corporation credits to purchase U.S. exports, and is eligible for political risk insurance from the Overseas Private Investment Corporation. U.S. imports provide Romania with products needed to help its disastrous economic situation. These include grains and seeds, coal, electric machinery, chemicals, and cattle hides.

Western economic concessions, however, provide no incentives to Ceausescu to decentralize Romania's economy or to pay heed to the human rights of its citizens. Instead, MFN and other concessions allow him to continue his harsh, repressive policies.

HUMAN RIGHTS SITUATION

"Romania is generally considered to be one of the most egregious human rights offenders in Eastern Europe. Nor has the situation improved over the past few years. A severely deteriorating economy, a corrupt bureaucracy, an omnipresent secret police network, and the 'cult of personality' surrounding the Ceausescu family have resulted in increasing misery for Romanian citizens." So says the U.S. Helsinki Watch Committee, a nongovernmental organization that monitors human rights, in a May 14, 1985, report to Congress. In every area, Romania disregards international human rights standards and even its own laws. In its 1984 Country Reports on Human Rights Practices, the State Department emphasized that "in the area of human rights major discrepancies persist between Romania's Constitution, law, public pronouncements and international commitments on the one hand, and the civil liberties and human rights actually allowed by the regime on the other."[8]

To stifle dissent, for example, Ceausescu's regime employs such tactics as: beatings, jailing, incarceration in psychiatric hospitals, torture, even political murder. In April 1984, for example, Father Geza Palfi was beaten to death by security police for suggesting that Christmas should not be a workday. Amnesty International continues to receive reports of people who are imprisoned or harassed for the nonviolent exercise of their right to freedom of expression.[9]

Religious persecution

The State Department knows of many cases of Romanians forbidden from traveling to attend religious gatherings and funerals. The International League for Human Rights cites cases of religious leaders singled out for repression by administrative action.[10] Among them:

Father Calciu-Dumitreasa, a Romanian Orthodox priest and professor of theology, was released from prison in August 1984, after serving a ten-year sentence for nonviolent human rights activity. Since then he has been placed under virtual house arrest. He is unemployed, deprived of outside contacts, denied a passport, and subject to strict surveillance.

Reverend Istvan Tokes, an internationally respected theologian and a senior official of the Hungarian Reformed Church, after strong official pressure, was fired in November 1983 as professor at the Protestant Theological Seminary, and in May 1984 was dismissed from his post as Assistant Bishop. He is under continuing surveillance.

Felicia Russo has been harassed repeatedly by authorities since she converted to the Pentecostal Church. She was expelled from the university and denied a passport. She now can get only menial jobs for which, church sources report, she is paid approximately $4 a month.

The League also reports that on April 26, 1985, Reverend Petru Popescu, known for his criticisms of the state's anti-religious policies, disappeared from a train station platform; his whereabouts are unknown. On April 19, Constantin Sfatcu, a Baptist lay leader was imprisoned for distributing; Radu Filipescu, a Romanian engineer, is currently in prison for distributing leaflets critical of the regime. These are but a few examples of the routine repression of Romanians attempting to practice their religion.

The latest and perhaps most dramatic example of Romania's blatant disregard for religious liberty is the revelation that some 20,000 Bibles sent by the World Reformed Alliance to the Hungarian Reformed Church in Romania never reached the approximately 1 million church members. Instead the Bibles were sent to the paper mill in Braila to be recycled into toilet paper. Since many original words and letters remained intact, the fate of the Bibles became known in the West.[11] Meanwhile, religious believers in Romania are deprived of Bibles in violation of the Helsinki Accords and the peace treaties after World War II.

Nor is the situation likely to improve. For at the 13th Congress of the Romanian Communist Party last November, Ceausescu vowed to "take firm measures against various mystical and obscurantist manifestations." Indeed, the Romanian administrative body dealing with religious matters is known as "the Department of Cults."

Repression of minorities

The New York-based Committee for Human Rights in Romania has been monitored effectively the increasingly desperate situation of the 2.5 million Hungarian nationals in Romania (out of a total population of 20 million).[12] In the past year, all television broadcasting in Hungarian has been stopped. Hungarian schools are being closed. The government routinely assigns Hungarian graduates of universities and trade schools to jobs outside the community, creating an acute shortage of Hungarian teachers and language experts in the Hungarian areas. The persecuted dissident Karol Kiraly summarized the situation of the Hungarian minority in an interview in October 1984:

The atmosphere of terror is beyond description. It permeates every aspect of everyday life. The most arbitrary and extreme measures are taken with respect to education, housing, cultural and religious activities, in total disregard of established laws and regulations. The fear which the secret police has managed to instill in every citizen makes even the simplest act become incredibly risky and complicated. Making a long distance telephone call to Hungary, for example, is itself already considered a suspicious activity. . . . Distrust is so prevalent that no one dares communicate to anyone. Those who dare to trust someone risk their jobs, their homes or anything they might hold dear.[13]

Emigration: The dark story

"Illegal" emigration is forbidden. To attempt it and fail is an offense punishable with up to three years in jail.

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[5] A careful reading of the amendment indicates that it was intended to cover more than one particular human right, freedom of emigration. Section 402 of the 1974 Trade Act states its objectives to be "to assure the continued dedication of the United States to fundamental human rights." It then defines the means for achieving these objectives, citing emigration as a condition for the extension of trade benefits. On May 23, 1985, Congressman Mark Siljander (R-MI) introduced H.R. 2596, which would deny MFN status to countries that discriminate on ethnic, cultural, or religious grounds.

[6] Hearings before the Subcommittee on Trade of the Committee on Ways and Means, House of Representatives, June 22 and July 9, 1979, p. 43.

[7] Hearings before the House Foreign Affairs Subcommittee on Human rights and International Organizations, May 14, 1985.

[8] "Country Reports on Human Rights Practices," Department of State, February 1984, p. 1077. It may be argued, however, that Romanian law does not guarantee any human rights, once the provisos are read in the proper context. See Juliana Geran Pilon, "The Romanian Distinction between Negative and Positive Liberty," Studies in Soviet Thought 23 (1982), pp. 131-140.

[9] See the prepared statement of Amnesty International, USA, on Amnesty International's Concerns in Romania, to the House Subcommittee on Human Rights and International Organizations, May 14, 1985.

[10] Cited in the Testimony of the International League for Human Rights before the Subcommittee on Human Rights and International Organizations by Nina Shea, Program Director, on May 14, 1985, p. 6.

[11] Further information on Romania's religious persecution may be obtained from Rev. Dr. Alexander Havadtoy, minister at the Calvin Church in Fairfield, Connecticut, and Professor at the Yale University Divinity School.

[12] See, for example, the extensive testimony of Laszlo Hamos, Chairman of the Committee for Human Rights in Romania, in Hearing of the International Trade Subcommittee of the Senate Committee on Finance, August 8, 1984, pp. 159-239.

[13] Shea, op. cit., p. 12.

Legal emigration has many facets. Since the early 1960s, according to General Pacepa, Ceausescu has been engaged in what amounts to "selling Romanians" as an expert commodity.[14] That is in exchange for emigrants Romania has received from the governments of Israel and West Germany thousands of dollars in cash along with low interest credits issued through the CIE for increased emigration quotas. Since 1972, charges Pacepa, hundreds of millions of dollars have been received for bartering Romanian Jews and Germans behind political scenes and have been deposited in a personal account of Ceausescu, some in the Romanian Foreign Trade Bank, some in Switzerland.

The number of Romanians allowed to emigrate to the U.S. is not an accurate indicator of the situation. The figure has grown from 980 in 1975 to 4,545 last year. But many of those allowed to leave reportedly are criminals "dumped" on the U.S., agents instructed to infiltrate the emigre community, or dissidents forcibly exiled. Bona fide emigrants, by contrast, are encountering increased harassment. Inordinate delays are standard. Applicants for permission to emigrate often are fired from their jobs, demoted to lower paying jobs, evicted from their homes or given inadequate housing, or denied medical care and other benefits.[15] Their children, meanwhile, are not allowed to enroll in schools.

The U.S. was ready to deny MFN status in 1983 after Ceausescu announced in November 1982 the possible imposition of an education tax on prospective emigrants to reimburse the state for the cost of educating those seeking to leave. Ronald Reagan announced that MFN status would end if the policy were not canceled. Only days before the deadline, the tax was rescinded. In retrospect, many observers agree with Jeri Laber of the U.S. Helsinki Committee that the controversial tax was likely a ploy. Explains Laber: "By first imposing the education tax and then lifting it, the Romanian government is distracting attention from other impediments to freedom of emigration and from its worsening human rights record in general, things which endangered MFN long before the education tax became an issue."

What is worse, the tax seems to have returned through the back door in the form of bribes. The International League for Human Rights has documented reports of government agents demanding bribes of up to $3,200 from individuals before they are permitted to emigrate. This is confirmed by Western diplomatic sources. These payments, charges League Program Director Nina Shea, "are a substitute for the Education Tax."

Repression of workers

The Ceausescu regime tolerates virtually no expression of worker dissatisfaction. In August 1977, a large-scale strike by 35,000 coal miners in the Jiu valley in southwest Romania was swiftly, brutally suppressed. Thousands of workers were fired or sent back to their native villages; the leaders were arrested.[16] An attempt in 1979 to form a Free Trade Union of Romanian Workers was also quickly quashed. According to Amnesty International, two leaders of the movement, Iona Cana and Gheorghe Brasoveanu, were confined to psychiatric institutions, while a third was sentenced to eighteen months imprisonment.[17]

A new decree now places those entering the labor force in what amounts to indentured servitude. All are forced to remain at their first assigned jobs for at least five years or forfeit half of the wages. Students are forced to work. Last summer, three million young people were sent into the countryside to help with the harvesting.[18]

Censorship

Censorship has been intensified in recent years from its already high level. Because all publications are controlled by the government, Romania may be the only East European country without a *samizdat* or underground literature. Citizens are required to register their typewriters. These can be confiscated if that is deemed "in the interest of the state." The author of a book critical of the Ceausescu regime, Adevarul (The Truth), was arrested in June 1984. He has not been heard from since.

Assassinations

A critic of the Romanian regime does not escape the long arm of Ceausescu's ire even by exile or emigration. Paul Goma, the dissident writer expelled to France in 1977, was targeted for assassination in 1982. His would-be assassin, Matei Haiducu, revealed to the French secret service the details of his mission. This is not the only such case. In 1980, West Germany arrested a man who spied on Romanian emigrants for Romanian intelligence; in February 1981, parcel bombs were sent to the homes of prominent Romanian exiles in Paris and Cologne, injuring two of them and a police bomb expert; in July 1981, Emil Georgescu, an outspoken Romanian program editor at Radio Free Europe in Munich was stabbed 22 times. Other Radio Free Europe personnel who have been beaten or targeted for assassination include Monica Lovinescu and Sergiu Manoliu.[19]

In July 1978 General Ion Pacepa was instructed personally by Ceausescu to conduct secret assassinations by mailing plastic explosives to exiles critical of the Ceausescu regime. Pacepa refused and defected. Since his 1978 defection, he has been the target of at least seven assassination attempts.

The repression of Romanian citizens, even beyond Romania's borders, makes it seem especially inappropriate for the U.S. to bestow preferential MFN status on the Ceausescu regime.

HOW INDEPENDENT OF THE USSR IS ROMANIA?

Romania's political behavior is surely motivated mainly by a need to compensate for domestic economic and human rights shortcomings and to rally some popular support for the ruling Communist Party. Romania's ruthless internal repression, in fact, is a key reason for Moscow's tolerance of Romania's occasional gestures defying the Soviet foreign policy line. According to Romanian-born political science professor Aurel Braun, now of the University of Toronto, Moscow is willing to condone some dissent, provided that the country is governed with an iron, Leninist fist and that the USSR can reap other benefits.[20]

More important, some of Romania's seemingly independent moves actually may support Moscow's policies. While it is true, for instance, that Ceausescu appeared to have upset Moscow by asserting that no state has the right to intervene in Poland, he also strongly condemned the activities of the Solidarity trade union movement in language echoing Moscow's. And though it has received little attention, Romania approved the imposition of martial law in Poland.

In Middle East matters, Romania also hardly displeases Moscow. Romania supports an international conference organized by the U.N., in which the Soviet Union and the Palestine Liberation Organization would participate. Earlier this year, Ceausescu told *The Jerusalem Post* that he favored increased Soviet involvement in the Middle East.

Though Romania has yet to exchange ambassadors with Nicaragua, Bucharest was one of the first to recognize Nicaragua's communist regime. According to a Czechoslovak report, Romania has joined other Warsaw pact countries in sending 28 tons of food and medicine to Nicaragua aboard a Soviet Aeroflot plane.[21] It is believe that Romania also has sent military aid to Nicaragua.

Romania generally has backed, with political and material aid, Marxist and other radical leftist movements throughout the world.[22] This policy, probably motivated by Ceausescu's attempts to become a world leader, suits Moscow very well.

Most dangerous to the U.S. and the West is the integration of the Romanian secret service within the Soviet bloc intelligence services. To be sure, the Romanian CIE no longer technically reports to Moscow. But General Pacepa reports that the CIE has extensive ties to the Soviet KGB. Experts believe that the CIE is a very important ally in the KGB's espionage network, including inside the U.S. In addition, the CIE has secret agreements with the Hungarian, Yugoslav, and Bulgarian secret services for smuggling high technological commercial and military equipment into Romania and for sending drugs and arms abroad. In 1977 and 1978 alone, the Romanians sold Western smugglers more than 200 pounds of narcotics.[23]

Romania's voting record at the U.N. is cited by some State Department officials as an example of Bucharest's independence from Moscow. In 1983, for example, while the U.S. and Soviet Union voted together 13.8 percent of the time in the General Assembly, Romania voted with the U.S. 16.3 percent of the time. But in 1984, Moscow actually voted with the U.S. 13.2 percent of the time compared to 10.1 percent for Romania.

In view of its growing economic dependence on the Soviet Union, Romania can be

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[14] "Human Events," p. 225.

[15] Over the years, Rabbi Jacob Birnbaum, head of the Center of Russian and East European Jewry in New York, has documented the harassment of Jewish prospective emigrants in particular. He also notes that 1983-1984 saw the resurgence of the rash of anti-Semitic writings in 1980. A long, insidious article in the Communist Youth League newspaper *Scinteia Tineretului* in April 1983, for example, discusses a Jewish "plot against the specificity of the Romanian Spirit." See Senate Hearing, *op. cit.*, Aug. 8, 1984, pp. 153-159 and 476-489.

[16] Vladf Georgescu, "Istoria Romanilor" (The History of the Romanians) (Los Angeles, American Romanian Academy of Arts of Sciences), p. 336. See pp. 310-345 for an excellent summary of Romania's current situation and policies.

[17] Al Annual Report 1981 (London), p. 314.

[18] RFE/RL "Situation Report" 7, April 9, 1985, p. 14.

[19] See Ion Pacepa's comments on these acts in "Le Matin" February 4, 1985.

[20] Aurel Braun, "Romanian Foreign Policy Since 1970: The Political and Military Limits of Autonomy" (New York: Praeger, 1978).

[21] "Cetka," August 6, 1979; cited in RFE/RL "Situation Report" 3, February 8, 1985, p. 7.

[22] RFE/RL "Situation Report" 3, February 8, 1985.

[23] "Human Events," p. 230.

expected to toe the Moscow line even more carefully. Ceausescu has been seeking increased fuel supplies from the Soviet Union. Radio Free Europe researcher Paul Gafton notes that Moscow "seems to be maintaining a deliberate gap between its oil exports and Romania's expectations in this domain, an obvious economic lever aimed at influencing Romania's political behavior." [24]

The Soviet presence in Romania, meanwhile, apparently is mounting. Reports Ambassador Funderburk:

Our guys observed a large Soviet presence in Romania that was not welcome news to some officials in Washington. On our own initiative, we looked in registries, checked schools, traced license plates and came up with an ungodly number of resident Soviets, including Soviet agents in factories monitoring Romanian exports to the Soviet Union.[25]

Funderburk also cites evidence that Romania has transferred to the Soviet Union technology obtained from the U.S. This is confirmed by Commerce Department officials.

CONCLUSION

At one time, it might have made sense for the U.S. to grant favors to Romania in the hopes of getting something in return. For a decade, however, the U.S. has waited patiently for Bucharest to live up to its end of the deal. Instead, Romania remains probably Eastern Europe's most repressive nation—except for the USSR. Romanian human rights are systematically abused, and emigration is rigidly restricted. Routinely in Romania there are psychiatric incarcerations and torture of political dissidents, harassment of would-be emigrants and religious believers, assassinations, and a fraudulent emigration record that includes a large number of forced exiles, criminals, and agents of the secret police.

Romania's much-touted "independent" road in foreign affairs, meanwhile, is a charade. The Romanian secret service, its high technology espionage efforts, its illegal drug trafficking efforts, are all closely integrated with the KGB. Many of Romania's actions, moreover, directly benefit Moscow, including its attempts to involve the Soviet Union in Middle East negotiations and the reported transfer to the Soviet Union of high technology obtained from the U.S.

As such, the U.S. should start treating Romania as the hard-line Stalinist state that it is. Washington should not enhance the Ceausescu regime by giving it the gift of Most Favored Nation trade status. To deny MFN to Romania would signal to the Romanian government that the U.S. no longer is fooled and no longer will encourage Bucharest's repressive internal policies and foreign policy deceptions.

JULIANA GERAN PILON, Ph.D.,
Senior Policy Analyst.

By Mr. DENTON (for himself and Mr. DECONCINI):

S. 1818. A bill to prevent the sexual molestation of children in Indian country; to the Committee on the Judiciary.

PREVENTING THE SEXUAL MOLESTATION OF CHILDREN IN INDIAN COUNTRY

Mr. DENTON. Mr. President, I rise today, along with my distinguished colleague from Arizona, Senator DECONCINI, to introduce a bill to prevent the sexual molestation of children in Indian country.

Specifically, the bill is designed to fill a gap in the Major Crimes Act, 18 U.S.C. 1153, with regard to serious sexual conduct directed at children. Currently, section 1153 reaches the crimes of rape, involuntary sodomy, and carnal knowledge of a female under the age of 16, when those crimes are committed by an Indian in Indian country. Although recently amended by Public Law 98-473 to add the offense of involuntary sodomy, the statute sill lacks adequate coverage of nonforcible sexual conduct involving children.

Serious offenses that are not covered include various types of sexual contact with male or female children other than carnal knowledge. Many U.S. attorneys have reported a troubling increase in incidents on Indian reservations. Amendment of the Major Crimes Act is necessary to permit effective enforcement, since without the amendment these serious offenses, which nearly all States treat as felonies, are prosecutable only in a tribal court, which may administer punishment only up to 6 months' imprisonment according to 25 U.S.C. 1302(7).

Moreover, amendment of the Major Crimes Act is necessary to increase the protection for children on Indian reservations and to equalize the punishment for such crimes between Indian and non-Indian offenders. A non-Indian who commits the crime of sexual molestation of a minor in Indian country is punishable under the far more stringent provisions of State law, either in State court when the victim is a non-Indian, or in Federal court by assimilation under 18 U.S.C. 1152 when the victim is an Indian.

The bill adds the offense of "felonious sexual molestation of a minor" to section 1153, thus permitting State law to be used in Federal court to prosecute Indian as well as non-Indian sexual molesters of children in Indian country. The description of the offense as "sexual molestation of a minor" is, like the recent addition of "involuntary sodomy," meant to be generic in nature. Thus, it would not matter whether the particular State denominated its offense as "sexual molestation" or by some other title such as "indecent liberties" or "sexual contact" with children.

So long as the State has on its books a felony offense that proscribes the conduct of nonforcible sexual abuse of the person of a minor, also as defined by State law, that offense will be incorporated into section 1153. The offense must, however, be a felony. This qualification ensures that, as with all other offenses in section 1153, only the major varieties of the offense will be subject to Federal jurisdiction, maintaining exclusive tribal jurisdiction over the lesser offenses.

Mr. President, as the U.S. Supreme Court noted in the famous case of New York versus Ferber, "the prevention of sexual exploitation and abuse of children constitutes a Government objective of surpassing importance." It is with that objective in mind that Senator DECONCINI and I introduce this bill to prevent the sexual molestation of children in Indian country and to give those children the same protections enjoyed by non-Indian children.

The bill has the strong endorsement by the National Congress of American Indians, as indicated by a resolution adopted at their recent annual meeting. The bill is also endorsed by the Alabama Indian Affairs Commission and the U.S. Department of Justice.

I ask unanimous consent that the text of the bill and the resolution by the National Congress of American Indians be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1153 of title 18, United States Code, is amended by inserting "felonious sexual molestation of a minor," after "involuntary sodomy," each place it appears.

RESOLUTION NO. T-86-46/H

NATIONAL CONGRESS OF AMERICAN INDIANS

A resolution urging Congress to amend the Major Crimes Act by adding the crime of child sexual molestation.

Whereas, recognition of Child Sexual Abuse Problems on Indians Reservations and Alaskan Natives is an important initial step in facing and taking steps to resolve this pervasive social problem; and

Whereas, Child Sexual Abuse situations disrupt families and causes serious and permanent psychological damage to Indian children; and

Whereas, Tribal Social Services Offices, Tribal Prosecutor's Offices, and the Bureau of Indian Affairs and Tribal Law Enforcement Office, must cooperate to fully prosecute persons committing child sexual abuse crimes on Indian Reservations; and

Whereas, at the present time many Tribes do not have specific Child Molestation laws in their criminal codes and if an Indian is convicted of child sexual molestation, the maximum penalty available in Tribal Courts is six months incarceration, a five hundred dollar fine, or both; and

Whereas, an Indian committing a child molestation crime which is not considered Rape, Assault with Intent to Commit Rape, or Incest may not be charged with a federal Major Crime pursuant to 18 U.S.C. 1153; and

Whereas, it is necessary and crucial to effective law enforcement on Indian Reservations and to protect the mental health and physical well-being of Indian to have the United States Congress enact into law as part of the Major Crimes Act Molestation law.

Now therefore be it resolved:

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[24] RFE/RL "Situation Report" 5, March 13, 1985.
[25] "The Washington Post," May 15, 1985.

1. The National Congress of American Indians hereby urges the United States Congress to enact into law an amendment to the Major Crimes Act, 18 U.S.C. 1153, making child molestation by an Indian to an Indian child occurring on an Indian Reservation, a federal crime justiciable in the federal courts and providing the federal courts the power to punish Indian offenders.

2. The National Congress of American Indians hereby urges the United States Congress to enact into law an amendment to the Indian Civil Rights Act, 25 U.S.C. § 1302(7), enlarging the penalty and punishment power of tribal courts to imprisonment for a term of one year or a fine of $1,000, or both.

3. The National Congress of American Indians hereby authorizes its duly elected officers to take all appropriate steps to urge Indian Tribes, Indian organizations, the Bureau of Indian Affairs, the Department of Justice, and the United States Congress to support amending the Major Crimes Act to include the crime of Child Molestation.

By Mr. LEAHY:

S. 1821. A bill entitled the "Nuclear Waste Reform Act of 1985"; to the Committee on Environment and Public Works.

NUCLEAR WASTE REFORM ACT

● Mr. LEAHY. Mr. President, I would like to introduce today the Nuclear Waste Reform Act of 1985. This legislation will make major changes in our existing nuclear waste policies.

I will also introduce in the CONGRESSIONAL RECORD at this point testimony I delivered before the Environment and Public Works Committee which explains this legislation and provides background information on why it is being introducted, and I ask unanimous consent that the testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR PATRICK J. LEAHY BEFORE THE ENVIRONMENT AND PUBLIC WORKS COMMITTEE ON THE NUCLEAR WASTE POLICY ACT OF 1982, OCTOBER 30, 1985

Before I begin to discuss my views on the Nuclear Waste Policy Act, I want to thank the Chairman of the Committee, my colleague from Vermont, Bob Stafford, for scheduling these hearings. As he knows, the Department of Energy's nuclear waste program has been very controversial in Vermont. Hundreds of Vermonters have turned out at meetings throughout the state on the Department's plans.

It will be no surprise to the Senators here today to learn that many strong feelings were expressed in those meetings. But those meetings did much more than vent feelings. Many of the speakers raised fundamental questions about the wisdom and fairness of the present radioactive waste program. The concerns raised by those Vermonters have made it clear to me that the Nuclear Waste Policy Act needs to be thoroughly reviewed by the Congress. Two broad issues need to be addressed.

First, has the Department of Energy implemented the Nuclear Waste Policy Act as Congress intended?

Second, does the Nuclear Waste Policy Act need to be fundamentally altered?

I urge the Committee to address each of these issues. I have come to the conclusion that the act needs to be fundamentally altered and that the Department has not implemented the existing act in a manner that should be accepted by the Congress.

The Nuclear Waste Policy Act had two basic premises. The first was that the Congress must establish a program to dispose of nuclear wastes quickly. This urgency existed because the lack of a demonstrated method of radioactive waste disposal threatened the viability of nuclear power in the United States. Indeed, at the time the act was being written, the Supreme Court was considering whether to overturn the California statute, which conditioned the expansion of nuclear power on the demonstration of such a solution. The nuclear industry viewed the passage of the Nuclear Waste Policy Act as part of an effort to win that lawsuit and overrule the Calfornia statute.

The second premise of that legislation was that the radioactive waste problem was a political problem and not a scientific one. Thus, it was necessary to create a system that would overcome the political obstacles through deadlines and similar mechanisms. It was assumed that an acceptable geological site could be found.

I do not agree with either of these premises. When the Congress writes nuclear waste legislation, I believe that its premise should be the health and safety of the American people. I believe that the determination of whether or not a safe geological site can be found for nuclear waste is a matter that must be solved by scientific research and not legislative fiat.

Let me give three examples of how the premise that the nuclear waste disposal problem must be solved quickly has created an unsound and unfair process.

The act requires that the second set of repositories be chosen by 1989. Now that may seem like a long time. However, when you start to realize, as the Department of Energy now does, all the work that has to be done to make such a decision, it becomes a very short deadline. DOE has already slipped the deadline by two years. Because of the time pressures built into the act, the Department of Energy had to choose to look for the second repository where it had already completed an initial geological survey. Its completed studies had only looked at eastern granite. Therefore, in its search for new candidates for the second round of sites, it only looked at crystalline rock (granite) east of the Mississippi. In making this arbitrary decision only to look at granite east of the Mississippi, it ignored two-thirds of the granite deposits in the United States. Then in limiting the candidate areas to crystalline rock, it ignored the huge areas of shale that it now believes may be acceptable repositories. Why did it not look at these other types of rocks? Because it did not know enough about shale when it began the second round process.

If the Nuclear Waste Policy Act were written on the premise that it is more important to find a safe site than it is to find a site soon, the process would be very different. All of the various possibilities for geological disposal would have been thoroughly researched first, and then the entire United States would be searched for candidate sites.

The time pressure to find a nuclear waste dump has created other problems as well. In section 960.3-2-1 of the regulations, it states: "To identify a site as potentially acceptable, the evidence shall support a finding that the site is not disqualified in accordance with the application requirements set forth in Appendix III of this part." This is completely backwards. Ignorance is not bliss. A site should only be considered acceptable if the evidence shows that it is acceptable.

Think of a small town in Vermont that believes that its granite has severe structural problems that would make it an unsafe waste dump. It would cost hundreds of thousands and possibly millions of dollars to establish definitely whether or not the fault exists. But under the Department of Energy's regulations, the town bears the burden and the cost of proving that it is not an acceptable site.

Why does DOE not bear the burden of proof? Because if it did, the whole process would be brought to a standstill.

The drive to find an acceptable radioactive waste site quickly has also meant that the procedural safeguards usually available to protect citizens from arbitrary and unwise governmental action have been short circuited. Normally if citizens and states believe that an agency is proceeding unfairly, they can use the environmental impact process and the courts to protect their rights and force the agency to address their concerns. However, the Nuclear Waste Policy Act has been written so that environmental impact statements, and probably court action, are precluded until very late in the process. This makes the process go more smoothly, but it also means that the process may very well be scientifically unsound and fundamentally unfair.

I hope that the Committee will consider the issues that I have raised this morning. I hope it will carefully examine both the premises of the Nuclear Waste Policy Act and its implementation.

In order to assist the Committee in this endeavor, I will be introducing legislation today which proposes several changes in the act. Some of these changes are generic. Others speak directly to how the Department's regulations have been implemented in Vermont.

First, the Area Recommendation Report, which will narrow the candidate list this fall from over 200 to 15 or 20 sites should be subject to the full NEPA process and court review.

Second, section 112(B)(1)(c) should be amended to require DOE to examine all potential disposal sites wherever they exist in the country.

Third, section 960.3-2-1 should be changed to require that sites not chosen as priority sites for round two should be eliminated from consideration for twenty-five years. This will free communities from the limbo created by existing regulations.

Fourth, the existing regulations must be amended to place the burden of proof to develop the evidence needed to show that a site is qualified on the Department of Energy, and not on the local town to prove that it is disqualified.

Fifth, several of my colleagues in the House and the Senate have pointed out that poor transportation facilities should preclude certain sites from consideration. The Department of Energy has refused to use transportation problems as disqualifying criteria. The legislation would correct this situation.

Sixth, the Department of Energy, because it does not understand our governmental structure in Vermont, has failed to exclude from its consideration for the second repository 34 towns in Vermont with populations of 2,500 or more. The bill corrects this error.

Seventh, as we have learned from our hearings in Vermont, the location of a nuclear waste dump along our Canadian border will cause serious problems with our neighbors. Large numbers of Canadians have appeared at meetings in Vermont to express their opposition to a site on the border. The Canadian Energy Minister has also objected to the location of a site along the Canadian border. The legislation addresses this issue by requiring that the Department consider Canadian population density and preclude from consideration sites along the border which would require geological testing in Canada to determine their suitability.

Finally, the regulations state that a nuclear waste repository should not be located in the National Park system. The National Scenic Trail system, which includes the Appalachian Trail, is, by law and regulation, part of the National Park system. The legislation orders the Department not to locate the nuclear waste depository on or adjacent to this important national recreational resource.

Since 1980 when I held hearings on the potential impact of the Department's plan to locate a nuclear waste dump in rural areas, I have been concerned that the Department of Energy does not understand nor is it inclined to undertake the search for a nuclear waste depository in a manner that recognizes the value of rural America. Unfortunately, our experience in Vermont has confirmed this concern. I urge the Committee to comprehensively review and reform the Department's nuclear waste programs.●

By Mr. ARMSTRONG (for himself and Mr. HART):

S. 1819. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Cache la Poudre River and the South Fork of the Cache la Poudre River in Colorado as a component of the National Wild and Scenic River System; to the Committee on Energy and Natural Resources.

CACHE LA POUDRE WILD AND SCENIC RIVER DESIGNATION

● Mr. ARMSTRONG. Mr. President, today, I am introducing a bill which would amend the Wild and Scenic River Act of 1968, to include portions of the Cache la Poudre River located in north-central Colorado as part of the national wild and scenic river system. This bill is identical to H.R. 3547, which was introduced in the House by my colleague Congressman HANK BROWN on October 10, 1985.

The Cache la Poudre River is a marvelously unique, free-flowing body of water representing the largest remaining stretch of undeveloped river in the United States east of the Rocky Mountains. Beginning at the Continental Divide in Rocky Mountain National Park, the River flows east through Roosevelt National Forest and the Colorado cities of LaPorte, Fort Collins, and Greeley, before joining the South Platt River. In 1973 the river was one of 12 Colorado rivers authorized for Federal study for wild and scenic designation through legislation (Public Law 93-621) sponsored by the late Senator Peter Dominick of Colorado.

The Forest Service began studing the river for wild and scenic designation in 1977. The draft environmental impact statement and proposed recommendations, covering 83 miles of the upper reaches of the river, were issued for public comment in early 1980—over 1,300 comments resulted. Last spring, the White House recommended that 62 miles of the river be designated. The bill I am introducing today would designate 75 miles.

Beginning at the river's source at Poudre Lake in Rocky Mountain National Park, the bill would preserve the Cache la Poudre through the town of Poudre Park. In honor of Senator Dominick, this bill would label the first 18 miles of the river as the "Peter H. Dominick Wild River Area." The bill proposes designating thirty-one miles of the river as "wild" and 44 miles as "recreational". The legislation provides that nothing in the act would affect storage and hydroelectric projects downstream of the designated portions of the river, and also includes authorization for land acquisition from willing sellers along the designated portions of the river. Private property rights are protected by the bill, with acquisitions of public rights-of-way and scenic easements occurring only where necessary and only when owners wish to sell. The legislation would additionally grandfather existing water developments to insure that conflicts in the maintenance and management of those projects do not occur.

As Congressman BROWN said recently:

This legislation is the result of long negotiations between the northern Colorado water community and local and national environmental groups—It represents the best spirit of compromise in terms of the long-term interests of all of Northern Colorado. The individuals involved should be proud of their contribution to our future.

Consequently, the legislation being introduced today is identical to that recommended by this group of water and environmental interests, and I ask that a letter from this group dated October 7, 1985, to Congressman BROWN be included in the RECORD following my statement.

It is my honor to introduce this legislation which, I believe, will establish the first of many wild and scenic river designations for Colorado. I am very pleased that this compromise was reached and commend all of the parties involved on their spirit of cooperation. I particularly want to commend Congressman BROWN for his tenacity and outstanding leadership on this issue.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 7, 1985.

Hon. HANK BROWN,
U.S. House of Representatives,
Washington, DC.

DEAR HANK: Enclosed is our carefully drafted offering of a Wild & Scenic River bill for the Cache la Poudre. We hope you will find it acceptable. As you well know, we have spent several months reaching this agreement. While we recognize it may not be perfect, we present it to you as a statement of our compromise and we are pledged to support it as written.

We appreciate your continued support and encouragement. We will be available to testify in favor of this legislation at the earliest opportunity. We have heard that there are currently scheduled hearings on two other rivers on October 22. If possible, we would like to suggest that as a date that we could be in Washington to testify on the bill.

Sincerely,

Larry D. Simpson, for the Northern Colorado Water Conservancy District; John M. Sayre, for the Northern Colorado Water Conservancy District; Gregory J. Hobbs, Jr., for the Northern Colorado Water Conservancy District; Maggie Fox, for the Sierra Club Southwest Office; Chuck Wanner, for Preserve Our Poudre; Charles B. White, for Sierra Club, Preserve Our Poudre.●

By Mr. DECONCINI:

S. 1820. A bill to provide financial assistance to State and local educational agencies for the development and expansion of demonstration chemical substance abuse prevention programs in the public elementary and secondary schools of such agencies, and for other purposes; to the Committee on Labor and Human Resources.

STUDENT CHEMICAL SUBSTANCE ABUSE PREVENTION ACT

● Mr. DECONCINI. Mr. President, today I am introducing the Student Chemical Substance Abuse Prevention Act of 1985. Ths is a straightforward piece of legislation intended to prevent the use of illegal drugs by our Nation's children.

Over the past two decades, the use of illegal drugs in the United States has accelerated at an unprecedented rate and has reached into every segment of our society. We, as adults, seem unable to formulate an effective campaign to reverse the trend. However, after many months of discouraging and futile efforts we are beginning to mount an attack on the enemy called illegal drugs. We have come to realize that by working together we can make a real difference—we can build a better future for the American public.

Mr. President, the Student Chemical Substance Abuse Prevention Act is one of many strategies we can use to respond to the problem of drug abuse which plagues our Nation's young people. It is my belief that the approach outlined in this legislation will prove to be one of the most effective methods to achieve that objective.

51-059 O-87-7 (Pt. 22)

This bill provides funding for a 3-year demonstration project to State educational agencies for the purpose of developing and expanding drug abuse prevention programs by the local school districts. It is intended to offer a means to integrate into the public schools ongoing drug abuse prevention education programs which emphasize the destructive effects of drugs on our health and well-being. The program will include the participation of parents, teachers and administrators, civic groups, local officials, business and industry, health care professionals, law enforcement personnel, and the students themselves * * * all of which are essential components for an effective educational program. It is my hope that this demonstration program will become a model which will be replicated in every school and community, every family and by every person close to the problem. That means all of us. I believe in the old saying, "An ounce of prevention is worth a pound of cure."

The Federal Government has made notable contributions toward the eradication of the drug abuse problem during the past 10 years or so, but we must do more in the area of prevention. This program is not meant to diminish the work being done by such agencies as the National Institute on Drug Abuse [NIDA], the National Institute on Alcohol Abuse and Alcoholism [NIAAA], and ACTION which have the primary responsibility for implementing Federal drug abuse prevention and treatment programs. Many, many other Federal agencies make contributions in the effort as well.

But according to a report released in June of this year by the GAO, Federal dollars for drug abuse prevention and treatment programs have decreased significantly since 1982. This decrease came about, according to the report, as a result of the implementation of the alcohol, drug abuse, and mental health [ADAMH] block grant in 1982. Despite the fact that a number of Federal agencies are active in the overall effort to impede drug abuse, in my opinion, there is not enough being done in the schools where the students are a captive audience. For example, the GAO report states that:

The National Institute of Mental Health [NIMH] supports research on relationships between mental health and drug or alcohol abuse.

The State Department's Bureau of International Narcotics Matters [INM], in cooperation with NIDA, supports international efforts to reduce the worldwide demand for drugs.

The Department of Defense conducts extensive drug and alcohol abuse prevention programs for military personnel.

The Food and Drug Administration [FDA] directs educational efforts at the proper use of prescription and over-the-counter drugs.

Mr. President, these are all worthy programs which deserve our support but this Senator is appalled by the fact that the Department of Education received less than $2.9 million last year to maintain 5 regional training centers to serve all 50 of our States. These training centers were developed to assist school officials and parents in the establishment of alcohol and drug abuse programs for their schools. They have been able to serve only about 4,500 communities throughout the U.S.A.

Although this is a meaningful effort, I am extremely concerned by the fact that 1 out of every 18 high school seniors uses marijuana daily and over 2 million young people between the ages of 18 and 25 currently use cocaine. In addition, about 3 million young adults between the ages of 14 and 17 are problem drinkers. The 1983 high school survey prepared by the National Institute on Drug Abuse underscores the seriousness and scope of the problem. It revealed that 87 percent of students used alcohol, 42 percent used marijuana, 25 percent used stimulants, and 11 percent used cocaine. These statistics suggest to me that our young people are the most vulnerable while attending our elementary and secondary schools where they are under great social pressure to experiment with drugs.

Mr. President, I believe that the Student Chemical Substance Abuse Prevention Act will bring into focus the need to concentrate our drug prevention programs in our schools. This is where our children learn about and obtain access to drugs. And this where we must stop the epidemic. The development of quality drug information and education programs for use in our schools is vital to changing the environment and climate which fosters drug use by our young people. The collaboration of parents, teachers, community agencies, and the students in a collective effort is crucial if we hope to change the attitudes of our youth about the use of drugs.

This bill authorizes $5 million to be appropriated in each of the fiscal years 1987-89 for grants to State educational agencies for assistance in the development and expansion of demonstration chemical substance abuse prevention programs in the public elementary and secondary schools.

I invite my colleagues to review this legislation and determine whether they want to participate in a strategy to solve the drug and alcohol abuse problem which plagues our school population or choose to look the other way and hope the problem will disappear.

Mr. President, I realize that we are in a budget crunch and it's difficult to fund all the worthwhile initiatives which will enhance the quality of life for our youth and society as a whole. However, I strongly feel that funding this program will result in long-term health care savings by deterring our young people using illegal drugs.●

By Mr. THURMOND (for himself, Mr. LEAHY, Mr. LAXALT, Mr. HATCH, Mr. GRASSLEY, Mr. SPECTER, Mr. MCCONNELL, Mr. SIMON, Mr. SASSER, Mr. DIXON, Mr. DANFORTH, and Mr. QUAYLE):

S. 1822. A bill to amend the Copyright Act in section 601 of title 17, United States Code, to provide for the manufacturing and public distribution of certain copyrighted material; to the Committee on the Judiciary.

MANUFACTURE AND PUBLIC DISTRIBUTION OF CERTAIN COPYRIGHTED MATERIAL ACT

Mr. THURMOND. Mr. President, today, Senator LEAHY and I, joined by a number of our distinguished colleagues, introduce legislation that would extend indefinitely the manufacturing clause of the Copyright Act and add needed modifications.

The manufacturing clause is not new. It has been part of the copyright law since 1891. This clause is an obscure part of the U.S. copyright law which provides that in order to get full U.S. protection of a copyright on a "preponderantly nondramatic literary works" in the English language by an American author, the work must be printed in the United States. Mr. President, this means that an American author cannot distribute a book, magazine, or other printed material which is copyrighted and which is comprised of more words than pictures unless that material is printed in the United States.

If the manufacturing clause is allowed to expire, the printing industry would suffer a devastating blow. During consideration of the manufacturing clause in the 98th Congress, a Department of Labor study estimated that eliminating the clause would cause a loss of up to 172,000 jobs in the printing industry and a total loss of as many as 367,000 job opportunities throughout our economy as a result of foreign competition. Stated simply, Mr. President, that is what this bill is all about—jobs, American jobs. Will the American jobs in the printing industry be saved or will they be stamped out by unfair foreign competition?

The U.S. printing companies have virtually no access to tariffs as a means to control imports. The United States is a party to the Florence agreement and other United Nations agreements that obligate the United States not to assess tariffs on "educational or cultural material." The tariffs assessed on the scant variety of other printed material is minimal. The manufactur-

ing clause is the last bastion of hope for the U.S. printing industry to negotiate with other countries for specific trade concessions in printed products.

If the manufacturing clause expires, the U.S. printers who survive would be forced to rely primarily on time-sensitive printed material for most of their work. Other printed material, such as books, catalogs, directories, commercial printing, business forms, and periodicals, would be highly vulnerable to low-wage competition.

My proposal, Mr. President, would have the manufacturing clause cover "printed material" by U.S. authors and avoid the cumbersome phrase—"copies of a work consisting preponderantly of nondramatic literary materials." In addition, this legislation would provide for an exemption to those printed imports from countries that provide copyright protection to U.S. authors and that are certified by the U.S. Trade Representative as having no material nontariff barriers to trade in printed material. Also, this proposal would close a loophole that currently exists in the manufacturing clause which allows a U.S. author to transfer rights of reproduction to a foreign agent and thereby circumvent the intent of the clause by exercising the transfer rights given by the U.S. author. This bill would prohibit this type of activity that violates the very spirit of the manufacturing clause.

I would like to commend the able Senator from Vermont, Senator LEAHY, for the fine work and support he has contributed to this legislation.

Mr. President, this bill enjoys strong bipartisan support and I urge my colleagues to join us in approval of this important legislation and ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Manufacture and Public Distribution of Certain Copyrighted Material Act".

SEC. 2 (a) The heading for section 601 is amended by striking out "copies" and inserting in lieu thereof "printed material".

(b) Section 601(a) of title 17, United States Code, is amended by—

(1) striking out "Prior" through "except" and inserting in lieu thereof "Except";

(2) striking out "copies" through "literacy" and inserting in lieu thereof "printed";

(3) striking out "or Canada." and inserting in lieu thereof "or unless—"; and

(4) adding at the end thereof the following:

"(1) the United States Trade Representative has certified to the Congress that the country of export currently is providing adequate and effective means under its laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in copyrights; and

"(2) either—

"(A) the United States Trade Representative has certified that the country of export currently imposes no material nontariff barriers and, to the extent inconsistent with tariff bindings entered into by the country of export with the United States, imposes no tariff barriers to trade in printed material; or

"(B) the country of export has in force a free trade agreement with the United States governing trade in printed material entered into pursuant to section 401 of the Trade and Tariff Act of 1984.

"(3) any certification made pursuant to this subsection shall be withdrawn if any of the matters certified to cease to exist.".

(c) Section 601(b) of title 17, United States Code, is amended by striking out paragraphs (6) and (7) and inserting in lieu thereof the following:

"(6) where importation is sought for works described in, and in accordance with the requirements of, Article II, paragraph 1, of the Agreement on the Importation of Educational, Scientific and Cultural Materials (the Florence Agreement) of Article IV, paragraph 5, of the Protocol to the Agreement on the Importation of Educational, Scientific and Cultural Materials (the Nairobi Protocol).".

"(d) Section 601(c) of title 17, United States Code, is amended by striking out "or Canada" each place it appears.

"(e) Section 601(d) of title 17, United States Code, is amended to read as follows:

"(d) In the event that any work is imported in violation of this section, in addition to other remedies available, an infringer shall have a complete defense in any civil action or criminal proceeding for infringement of the exclusive right to reproduce and distribute copies of the work if the infringer proves—

"(1) that copies of the work were imported in violation of this section;

"(2) that the infringing copies were manufactured in the United States; and

"(3) that the infringement was commenced before the effective date of registration for an authorized edition of the work.".

"(f) Section 601(e) of title 17, United States Code, is amended by striking out "or Canada".

"(g) The items relating to section 601 in the table of sections for chapter 6 of title 17, United States Code, is amended to read as follows:

"601. Manufacture, importation and public distribution of certain printed material.".

SEC. 3. This Act and the amendments made by the Act shall be effective on the date of enactment, and the provisions of section 601(a), as amended by this Act shall apply to imports on or after the date of enactment.

Mr. LEAHY. Mr. President, 4 years ago I joined with my distinguished colleague, Senator THURMOND, in a successful effort to extend the manufacturing clause of the Copyright Act over the President's veto. That measure received overwhelming bipartisan support in both the House and Senate.

I rise again today to express my strong support for legislation to extend the manufacturing clause, which has been vital to the development and continued vitality of American printing. This is no time to cut off its protection for American producers of copyrighted works who are faced with piracy and high tariffs abroad. Nor is it time to jeopardize American jobs by encouraging printing to move offshore in search of cheap labor.

This bill extends the manufacturing clause indefinitely. In addition, it contains a mechanism for any country to become exempt from the clause if the country provides copyright protection for the works of American authors, and has no material tariff or nontariff barriers to the printing trade. The bill will also expand coverage of the clause to all printed works, rather than to only nondramatic literary material.

These are effective methods to protect American producers and discourage piracy and trade barriers abroad, while encouraging an overall fair trade policy. At a time when our trade deficit has reached record proportions, we cannot afford to grant an unreciprocating concession to countries that have imposed barriers to keep American printing from reaching their markets.

Another bill, to simply extend the manufacturing clause in its present form, H.R. 3465, has been introduced in the House by Congressman BARNEY FRANK. Were it not for the administration's opposition, H.R. 3465 might be easier to pass than the bill offered today by Senator THURMOND and myself. The past 4 years have shown that a straight extension bill is warranted, and I will vote for it if it reaches the Senate floor. But Senator THURMOND'S bill, requiring reciprocal conduct by countries to obtain an exemption from the clause, may answer the concerns of critics who opposed a straight extension in 1982.

I support both of these bills and will vote for whichever one has the best chance of becoming law. They are alternative proposals but not in conflict with each other. Each will extend the important protection of the manufacturing clause indefinitely, which I favored 4 years ago.

This is important throughout the United States as well as in my own State of Vermont, where many individual Vermonters would be directly affected by the expiration of the manufacturing clause. It has worked well in the past and we will continue to need it in the future.

By Mr. ROCKEFELLER (for himself, Mr. MATSUNAGA, and Mr. BINGAMAN):

S. 1823. A bill to strengthen the technological literacy of the Nation through demonstration programs of technology education; to the Committee on Labor and Human Resources.

TECHNOLOGY LITERACY ACT

● Mr. ROCKEFELLER. Mr. President, I rise here today on behalf of Mr. MATSUNAGA, Mr. BINGAMAN, and myself, to introduce the Technology Literacy Act of 1985. This bill address-

es what I consider to be one of the crucial issues of our time: the education of our youth in technology.

For the past several years Congress has wisely voted to strengthen science and mathematics programs in our public schools, colleges, and universities. Due to this effort, we are developing and creating innovative curricula, training teachers and getting our children involved in math and science at a very early age. We have not, however, made a concerted effort in a closely related area: technology education.

Experience has shown us that, although technology goes hand in hand with scientific and mathematical knowledge, it may develop from a practical need and an imaginative mind. It is this talent for innovation and the ability to find technological solutions that we need to instill in our students if we are to compete in the world market and enhance our own future. Indeed, I believe that teaching students about technology, its impact on our culture, its place in our history and its promise for the future will go a long way in achieving these goals.

In a recent report, the Carnegie Foundation noted that we are running the risk of jeopardizing this country's economic security by raising a "technologically illiterate" generation. Mr. President, it is imperative that our country, which led the world into the age of technology, maintain its technological edge and provide its children with the skills they need to compete in an increasingly technological world.

The bill I am introducing today and H.R. 3102, the companion bill introduced by Mr. BOUCHER, address these concerns by promoting the teaching of technology as part of the secondary curriculum.

Our act establishes 10 technology education demonstration programs in secondary schools throughout the country. These programs will develop new courses in technology education which would include the historical role of technology as well as the changing technologies of our time. Perhaps more importantly, the courses will emphasize hands-on experience of technological principles. Furthermore, this act provides for teacher training programs which will equip today's teachers with the background and skills necessary for comprehensive technology instruction for our secondary students.

Finally, under the grants provided in the Technology Literacy Act, all the research, coursework development and training materials will be made available for distribution statewide. This aspect of the bill is particularly appealing because it promotes the dissemination of the material and the practical knowledge acquired in the 10 original demonstration programs—making the original investment pay off very quickly.

Mr. President, I believe this legislation will help open the door of opportunity for our students and our country. It is our hope that the Technology Literacy Act of 1985 will also serve as a catalyst for nationwide action to provide technology education. Efforts like this will prepare us for the challenges of a society in which science and technology will undoubtedly be increasingly important in our daily lives and in our relationships to the rest of the world.

Mr. President, I urge my colleagues to support the Technology Literacy Act of 1985, it is a responsible answer to the challenges which we face today and will continue to face in the future.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1823

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Technology Literacy Act of 1985".

PURPOSE

SEC. 2. It is the purpose of this Act to assist the States in developing a technologically literate population through instructional programs in technology education.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "technology education" means a comprehensive educational process designed to develop a population that is knowledgeable about technology, its evolution, systems, techniques, utilization in industry and other fields, and cultural significance;

(2) the term "local educational agency" has the meaning given such term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(3) the term "State educational agency" has the meaning given such term in section 198(a)(17) of the Elementary and Secondary Education Act of 1965;

(4) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965; and

(5) the term "Secretary" means the Secretary of Education.

TECHNOLOGY EDUCATION DEMONSTRATION PROGRAM

SEC. 4. (a) ESTABLISHMENT.—Subject to the availability of appropriations under this Act, the Secretary of Education shall establish a program of grants to local educational agencies, State educational agencies, and institutions of higher education to establish not to exceed ten demonstration programs in technology education for secondary schools.

(b) APPLICATION.—A local educational agency, State educational agency, or institution of higher education which desires to receive a grant under this Act shall submit an application to the Secretary. Applications shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe and may be approved only if such application—

(A) describes a demonstration program for carrying out the purposes under subsection (c);

(B) contains an estimate of the cost for the establishment and operation of the program;

(C) sets forth such policies and procedures as will ensure adequate evaluation of the activities intended to be carried out under the application;

(D) contains assurances that Federal funds made available under this Act will be so used as to supplement and, to the extent practicable, increase the amount of State and local funds that would in the absence of such Federal funds be made available for the uses specified in this Act, and in no case supplant such State or local funds; and

(E) provides for making such reports, in such form and containing such information, as the Secretary may reasonably require.

(2) Amendments of applications shall be subject to approval in the same manner as original applications.

(3) In making grants under this Act the Secretary shall consider the equitable geographic distribution of such grants.

(c) USES OF FUNDS.—(1) Funds made available under this act may be used to develop a model demonstration program for technology education addressing the components described in paragraphs (2) and (3).

(2) Educational course content shall be based on the following:

(A) An organized set of concepts, processes, and systems that is uniquely technological.

(B) Fundamental knowledge about the development of technology and its affect on people, the environment, and culture.

(C) Instructional content drawn from introduction to technology education courses in one or more of the following areas:

(i) communication—efficiently using resources to transfer information to extend human potential;

(ii) construction—efficiently using resources to build structures on a site;

(iii) manufacturing—efficiently using resources to extract and convert raw or recycled materials into industrial and consumer goods; and

(iv) transportation—efficiently using resources to obtain time and place utility and to attain and maintain direct physical contact and exchange among individuals and societal units through the movement of materials, goods, and people.

(D) Assisting students in developing insight, understanding, and application of technological concepts, processes, and systems.

(E) Educating students in the safe and efficient utilization of tools, materials, machines, processes, and technical concepts.

(F) Developing student skills, creative abilities, confidence, and individual potential in utilizing technology.

(G) Developing student problem-solving and decisionmaking abilities involving human and material resources, processes, and technological systems.

(H) Preparing students for lifelong learning in a technological society.

(I) Activity-oriented laboratory instruction which reinforces abstract concepts with concrete experiences; and

(J) A combined emphasis on the practical application of carrying out technological work.

(3) Each project shall include the following developmental activities:

(A) A program for the purpose of developing teacher capability in the area of technology education.

(B) Research and development of curriculum materials for use in technology education programs.

(C) Multi-disciplinary teacher workshops for the interfacing of mathematics, science, and technology education.

(D) Statewide implementation plan for disseminating exemplary materials and practices.

(E) Optional employment of a curriculum specialist to provide technical assistance for the program.

(d) LIMITATION ON FEDERAL ASSISTANCE.—Federal assistance to any program or project under this Act shall not exceed 75 percent of the cost of such program in any fiscal year. Non-Federal contributions may be in cash or kind, fairly evaluated, including facilities, overhead, personnel, and equipment.

(e) NATIONAL DISSEMINATION OF INFORMATION.—The Secretary shall disseminate the results of the programs and projects assisted under this Act in a manner designed to improve the training of teachers, other instructional personnel, counselors, and administrators.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. There are authorized to be appropriated $3,000,000 for fiscal year 1987 and for each of the succeeding fiscal years ending prior to October 1, 1991 to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 6. The provisons of this Act shall take effect October 1, 1986.●

ADDITIONAL COSPONSORS

S. 1392

At the request of Mr. DECONCINI, the names of the Senator from Mississippi [Mr. COCHRAN], and the Senator from Hawaii [Mr. MATSUNAGA], were added as cosponsors of S. 1392, a bill to amend title 28 United States Code regarding judicial annuities.

S. 1527

At the request of Mr. STEVENS, the names of the Senator from Maryland [Mr. MATHIAS], the Senator from Maine [Mr. COHEN], the Senator from Mississippi [Mr. COCHRAN], the Senator from Georgia [Mr. NUNN], the Senator from Florida [Mr. CHILES], the Senator from Ohio [Mr. GLENN], the Senator from Michigan [Mr. LEVIN], the Senator from Tennessee [Mr. GORE], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Missouri [Mr. EAGLETON] were added as cosponsors of S. 1527, a bill to amend title 5, United States Code, to establish a new retirement and disability plan for Federal employees, postal employees, and Members of Congress, and for other purposes.

S. 1551

At the request of Mr. DURENBERGER, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1551, a bill to amend title XVIII of the Social Security Act to provide for administrative appeals and judicial review under part B of Medicare.

S. 1574

At the request of Mr. LUGAR, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1574, a bill to provide for public education concerning the health consequences of using smokeless tobacco products.

S. 1680

At the request of Mr. QUAYLE, the names of the Senator from Kentucky [Mr. MCCONNELL] and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 1680, a bill to phase out the honey price support program.

S. 1710

At the request of Mr. HOLLINGS, the names of the Senator from South Dakota [Mr. ABDNOR] and the Senator from Florida [Mr. HAWKINS] were added as cosponsors of S. 1710, a bill to establish a motor carrier administration in the Department of Transportation, and for other purposes.

S. 1734

At the request of Mr. COCHRAN, the names of the Senator from Kansas [Mr. DOLE], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. HATCH], the Senator from North Carolina [Mr. HELMS], the Senator from Nevada [Mr. LAXALT], and the Senator from Indiana [Mr. QUAYLE] were added as cosponsors of S. 1734, a bill to prevent distortions in the reapportionment of the House of Representatives caused by the use of census population figures which include illegal aliens.

S. 1742

At the request of Mr. TRIBLE, the names of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1742, a bill to improve the enforcement of the restrictions against imported pornography.

S. 1754

At the request of Mr. GLENN, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from North Dakota [Mr. ANDREWS], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 1754, a bill to ensure adequate verification of peaceful uses of nuclear exports from the United States to the People's Republic of China, and for other purposes.

S. 1794

At the request of Mr. THURMOND, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1794, a bill to amend revised statutes section 722 (42 U.S.C., sec. 1988) to exempt State judges and judicial officers from assessment of attorneys' fees in cases in which such judge or judicial officer would be immune from actions for damages arising out of the same act or omission about which complaint is made.

S. 1806

At the request of Mr. BOREN, the names of the Senator from Arizona [Mr. DECONCINI], and the Sentor from Florida [Mr. CHILES] were added as cosponsors of S. 1806, a bill to amend the Federal Election Campaign Act of 1971 to change certain contribution limits for congressional elections and to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes.

S. 1807

At the request of Mr. BRADLEY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1807, a bill consenting to a modification in the Delaware River Basin Compact relating to the rate of interest on bonds issued by the Delaware River Basin Commission.

S. 1810

At the request of Mr. SYMMS, the name of the Senator from Nevada [Mr. LAXALT], was added as a cosponsor of S. 1810, a bill to require U.S. representatives to international financial institutions to oppose assistance by such institutions for the production of agricultural commodities in competition with U.S. produced agricultural commodities, and for other purposes.

SENATE JOINT RESOLUTION 74

At the request of Mr. THURMOND, the names of the Senator from Delaware [Mr. BIDEN], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Joint Resolution 74, a joint resolution to provide for the designation of the month of February 1986, as "National Black (Afro-American) History Month."

SENATE JOINT RESOLUTION 188

At the request of Mrs. KASSEBAUM, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 188, a joint resolution to designate July 6, 1986, as "National Air Traffic Control Day."

SENATE JOINT RESOLUTION 198

At the request of Mr. MATHIAS, the names of the Senator from Oregon [Mr. HATFIELD], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 198, a joint resolution to designate the year of 1986 as the "Sesquicentennial Year of the National Library of Medicine."

SENATE JOINT RESOLUTION 213

At the request of Mr. FORD, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of Senate Joint Resolution 213, a joint resolution to designate January 19-25, 1986, "National Jaycee Week."

SENATE JOINT RESOLUTION 217

At the request of Mr. HEINZ, the names of the Senator from Arizona [Mr. GOLDWATER], and the Senator from Mississippi [Mr. COCHRAN] were

added as cosponsors of Senate Joint Resolution 217, a joint resolution to designate the week of December 2, 1985, to December 8, 1985, as "National Emergency Medical Air Transport Week."

SENATE CONCURRENT RESOLUTION 69

At the request of Mr. DANFORTH, the names of the Senator from Washington [Mr. EVANS], the Senator from Arkansas [Mr. BUMPERS], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Concurrent Resolution 69, a concurrent resolution to recognize the National Camp Fire Organization for 75 years of service.

AMENDMENTS SUBMITTED

COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION, 1986

LAUTENBERG (AND BRADLEY) AMENDMENT NO. 941

Mr. LAUTENBERG (for himself and Mr. BRADLEY) proposed an amendment to the bill (H.R. 2965) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1986, and for other purposes; as follows:

On page 11, after line 23 insert the following new section:

SEC. 105. None of the funds made available in this or any other Act shall be obligated or expended to plan to relocate, or to relocate the National Marine Fisheries Service's Sandy Hook Laboratory, or any of its activities or programs, out of New Jersey.

LAUTENBERG (AND WILSON) AMENDMENT NO. 942

Mr. LAUTENBERG (for himself and Mr. WILSON) proposed an amendment to the bill H.R. 2965, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . The United States' share of amounts budgeted by the United Nations and its specialized agencies for projects or entities which benefit the Palestine Liberation Organization shall be withheld from funds provided in this Act for assessed contributions to International Organizations.

CHAFEE (AND OTHERS) AMENDMENT NO. 943

Mr. CHAFEE (for himself, Mr. HUMPHREY, Mr. PROXMIRE, Mr. ARMSTRONG, Mr. DOMENICI, Mr. BOSCHWITZ, Mr. SIMPSON, Mr. SYMMS, and Mr. NICKLES and Mr. WILSON) proposed an amendment to the bill H.R. 2965, supra; as follows:

On page 2, beginning with line 23, strike out all through line 10 on page 3.

On page 3, line 14, strike out "$24,450,000" and insert in lieu thereof "$15,000,000".

MOYNIHAN (AND OTHERS) AMENDMENT NO. 944

Mr. MOYNIHAN (for himself, Mr. PROXMIRE, Mr. THURMOND, Mr. HOLLINGS, Mr. SARBANES, Mr. BUMPERS, Mr. ROCKEFELLER, Mr. SASSER, Mr. BAUCUS, Mr. WALLOP, Mr. HART, Mr. SYMMS, and Mr. DENTON) proposed an amendment to the bill H.R. 2965, supra; as follows:

On page 18, line 10, after "expenses", add the following: ": *Provided*, That of the funds appropriated by this section, not less than $1,000,000 shall be spent for the purpose of countering the interception of domestic American telecommunications by agents of the Soviet Union and its allies, from foreign missions maintained in the United States by those governments; *Provided further*, That by June 1, 1986 the Director of the F.B.I. shall submit to the appropriate committees of the Congress a report on the F.B.I.'s capabilities and efforts to counter the electronic interception of American telecommunications by foreign agents.".

SYMMS (AND OTHERS) AMENDMENT NO. 945

Mr. SYMMS (for himself, Mr. LEAHY, Mr. CHAFEE, Mr. GOLDWATER, Mr. HOLLINGS, Mr. DIXON, and Mr. GLENN) proposed an amendment to the bill H.R. 2965, supra; as follows:

At the end thereof add the following new section:

The Senate finds that:

The following events document Romania's attitudes toward religious and ethnic rights:

1. Father Geza Palfi, a Roman Catholic priest of Hungarian nationality, was arrested on December 26, 1983 because he mentioned in his Christmas Day sermon that Christmas Day should be a public holiday, instead of a working day. At the time of his arrest he was savagely beaten by the Romanian secret police (Securitate) outside of his parish church. Father Palfi died three months later of internal injuries sustained during his beating.

2. Daniel Cantarama, a minister of the Seventh Day Adventist Church, was sentenced to ten years in prison for "embezzlement" charges made by government officials, despite the fact that Cantarama's former employers signed an affidavit that he was a model employee, always "honest and disciplined." Both Christian Response International and Amnesty International investigated the charges and found them baseless.

3. Under pressure from Western churches and governments, the Romanian government agreed to receive 10,000 Hungarian Bibles from the World Reformed Alliance to be distributed among the congregation of the Hungarian Reformed Church in Romania. The Romanian Ambassador repeatedly pointed to the permission to distribute the Bibles as an example of his government's goodwill toward religious freedom. Most of the Bibles vanished, however, reappearing as toilet paper sold in Romanian stores. This contemptuous, cynical action demonstrates the utter disregard of the Romanian government to both internationally given promises, and to the sacred book. The grinding up of Bibles into toilet paper constitutes a heinous degradation of religion, unparalleled even among communist governments.

4. The Romanian government bulldozed a number of churches, including Orthodox, Baptist, Pentecostal, and Roman Catholic churches in Romania, most recently in Bucharest, Timisoara and Arad. The largest Baptist church in Europe, at Oradea is scheduled to be demolished in the near future.

5. Five leading Baptist pastors in Bucharest have all been falsely accused of "embezzling" congregational funds which they spent with the full knowledge and consent of their congregations, but without the approval of the Ministry of Cults.

6. Klaus Wagner, of Sighisoara, a member of the Brethren Church, and Maria and Fibia Delepeta of Carpinis, members of the Army of the Lord/Romanian Orthodox Church, were arrested October 1, 1981 and sentenced to six years, five years, and five years imprisonment respectively for their "illegal" religious activities.

7. A number of Christians in Romania, among them Silviu Coitata and Costel Georgescu from Ploesti, have been arrested and sentenced for distributing Bibles.

8. John Tedosiu from Cluf-Napoca, was arrested and charged on December 16, 1981 for espionage, because of his activities in compiling information for various human rights organizations relating to the arrests and persecution of religious believers in the Socialist Republic of Romania. He has been held incommunicado by the secret police and his present fate today is unknown.

9. Relatives of Christian believers are often compelled to sign statements that could subject their loved ones, solely because of their religious beliefs—to treatment and detention in psychiatric hospitals.

10. In past years, and even today, a number of Christians are subject to repeated interrogations, beatings, torture and electric shock treatments.

The following facts document the Romanian government attitude toward the national minorities in Romania:

1. In the province of Transylvania, where the overwhelming majority of Romania's national minorities live, including the 2.5 million Hungarians, the Romanian government pursues a policy of denationalization toward the nationalities.

2. Education in the mother tongue is severely limited despite international agreements which Romania has signed guaranteeing it. There are practically no courses in Hungarian in the institutions of higher learning, and only very limited instruction in Hungarian in the high schools and vocational schools. About half of the Hungarian high school students are deprived of education in the mother tongue.

3. There is open discrimination against graduates of Hungarian school sections on the high school and university levels. Those who survive and receive a diploma are sent to the Romanian parts of the state for employment.

4. There are no more Hungarian television programs, with the exception of a 30-minute news broadcast on Radio Bucharest. Hungarian theaters and dance troupes are largely to play or perform translations from Romanian plays and dance programs.

5. Documents of the Hungarian history of Transylvania from over a millennium are under government lock and key, and even baptismal records of the Hungarian Reformed Church have been confiscated by the Romanian state in the western dioceses and are being collected in the eastern diocese.

6. There is substantial discrimination against Hungarians and other nationalities in the labor and housing markets which is widely documented. At the same time, there are large-scale settlements of Romanians in the nationality areas.

These reprehensible and blatantly evil practices occur in spite of the fact that in the Paris Peace Treaty of 1947, Romania undertook the solemn obligation not to discriminate on the "basis of race, religion and national origin," and that in the Declaration of the Heads of State at Helsinki on August 1, 1975, Romania agreed "to recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion of belief acting in accordance with the dictates of its own conscience." Similar obligations were undertaken by Romania in the International Covenant of Civil and Political Rights which the Romanian government had ratified in 1974. In accordance with Section 402 of the 1974 Trade Act, Romania's emigration and human rights record is required to be studied annually by the administration, as well as both Houses of Congress in determining its eligibility for Most Favored Nation trading status.

Therefore, it is the Sense of the Senate that:

1. The United States should play an active role in restoring the human rights and cultural and religious rights to the Romanian people in accordance with the Helsinki Accords and the International Covenant of Civil and Political Rights and the principles of religious freedom on which this country was founded.

2. These acts of religious oppression and persecution taken by the government of the Socialist Republic of Romania are barbaric and repugnant to the community of civilized nations, and in violation of the intrinsic rights of all men.

3. These actions are particularly objectionable because they are in blatant violation of the Helsinki Accords and the International Covenant of Civil and Political Rights. Romania's outright contempt for international agreements should be taken into consideration during the future bilateral agreements between this country and the Socialist Republic of Romania.

4. In the event that there has been no improvement in Romania's attitude toward religious freedom, at the next opportunity under Title IV of the Trade Act of 1974, the President should actively consider such human rights violations in deciding whether to re-extend Most Favored Nation trading status for Romania.

D'AMATO AMENDMENT NO. 946

Mr. D'AMATO (for himself, Mrs. HAWKINS, and Mr. SYMMS) proposed an amendment to the bill H.R. 2965, supra; as follows:

At the appropriate place, insert the following new section:

SEC. (a) The Congress finds and declares that—

(1) Miroslav Medvid, a Soviet merchant seaman serving aboard a merchant ship, the M.V. Marshal Konev, jumped into the Mississippi River and swam ashore on Thursday, October 24, 1985;

(2) upon reaching shore Medvid contacted a New Orleans Police Department station and indicated he was a Soviet citizen;

(3) Medvid was turned over to the United States Border Patrol which had a contract interpreter interview him by telephone in Ukrainian;

(4) the interpreter states that Medvid clearly stated under questioning that he desired to remain in the United States and that the interpreter informed the Immigration and Naturalization Service officers on the scene of Medvid's wishes;

(5) despite being informed of Medvid's desire to remain in the United States, the U.S. Border Patrol took him aboard a launch and attempted to return him to the Marshal Konev;

(6) Medvid jumped overboard from the launch and again attempted to swim to shore;

(7) the United States Border Patrol pulled Medvid out of the Mississippi River and forcibly returned him to the Marshal Konev, reportedly "kicking and screaming";

(8) the Department of State was not informed of the incident until 3:40 p.m. Friday, nearly half a day after Medvid was returned to the ship;

(9) Medvid remained in Soviet custody aboard the M.V. Konev for two days until he was interviewed on Monday, October 28, 1985 by a State Department official, both on board the Soviet ship and later aboard a U.S. Coast Guard cutter alongside;

(10) Medvid stated during those interviews and a subsequent interview on Tuesday, October 29, 1985, after a night's rest at a U.S. Navy shore facility, that he wanted to return to the Soviet Union;

(11) there were Soviet officials present at every interview between Medvid and U.S. officials except the first interview during which Medvid stated that he wished to remain in the United States;

(12) the Department of State Office of Asylum Affairs has established formal procedures for handling potential defectors;

(13) the Immigration and Naturalization Service did not follow these procedures and has announced an investigation into this incident; and

(14) this incident appears to follow generally the same pattern as the Simas Kudirka incident, a situation President Nixon stated should never recur.

(b)(1) All Federal agencies, including the Border Patrol and the Immigration and Naturalization Service, shall review their policies for handling persons potentially seeking political asylum.

(2) The Immigration and Naturalization Service shall establish clear, formal rules and procedures for its personnel and for Border Patrol personnel in order to prevent the forced return of any person seeking political asylum to the jurisdiction of the country he or she is fleeing before formally determining, in consultation with the Department of State, whether such person has a well-founded fear of persecution.

(3) Those agencies not having formal procedures for handling persons seeking political asylum or having reason to doubt the effectiveness of their procedures should consult the State Department's Office of Asylum Affairs for assistance.

(4) The Immigration and Naturalization Service shall pursue an active and inpartial investigation into the facts and circumstances of the Miroslav Medvid case.

(5) If it is determined by the Immigration and Naturalization Service's investigation that there are grounds to discipline any officials under their jurisdiction for their roles in the Miroslav Medvid incident, appropriate personnel actions to achieve such discipline should be undertaken promptly and effectively, respecting all of the rights of the persons involved, so that any recurrence of improper handling of a political asylum case may be discouraged.

HUMPHREY AMENDMENT NO. 947

Mr. HUMPHREY proposed an amendment, which was subsequently motified, to the bill H.R. 2965, supra; as follows:

On page 69, after line 24, add the following:

SEC. 607. None of the funds appropriated by the act to the Legal Services Corporation may be used by the corporation or any recipient to participate in any litigation with respect to abortion except where the life of the mother would be endangered if the fetus were carried to term.

HATCH AMENDMENT NO. 948

Mr. RUDMAN (for Mr. HATCH) proposed an amendment to the bill H.R. 2965, supra; as follows:

On page 59, line 21, before the period, insert a colon and the following:

"Provided further, That none of the funds appropriated in this Act to the Legal Services Corporation and made available to grantees may be expended by any recipient of such funds until such recipient has expended all funds carried over from previous fiscal years, unless the failure to expend the funds carried over from previous fiscal years has been approved by the Legal Services Corporation".

CHILES (AND D'AMATO) AMENDMENT NO. 949

Mr. CHILES (for himself and Mr. D'AMATO) proposed an amendment which was subsequently modified, to the bill H.R. 2965, supra; as follows:

On page 21, on line 10 after, $46,063,000, add the following:

Of which $7.1 million shall be used to renovate or construct a facility to be used as a maximum security penitentiary for the incarceration of illegal alien felons.

RUDMAN (AND HOLLINGS) AMENDMENT NO. 950

Mr. RUDMAN (for himself and Mr. HOLLINGS) proposed an amendment to the bill H.R. 2965, supra; as follows:

On page 12, line 5 strike "$71,200,000" and insert in lieu thereof "$72,710,000" and on page 19, line 15 strike "$600,000,000" and insert in lieu thereof "$598,490,000". On page 23, line 6 strike "including salaries and expenses in connection therewith,".

D'AMATO AMENDMENT NO. 951

Mr. D'AMATO proposed an amendment to the bill H.R. 2965, supra; as follows:

AMENDMENT NO. 951

On page 3, after line 10 insert:

In addition, for "Economic development assistance programs"; $32,100,000, to remain available until expended, of which $11,100,000 is for a grant to the Rochester Institute of Technology in Rochester, New York, for construction, equipment, and all related development costs of a Center for

Microelectronic Engineering and Imaging Sciences; of which $4,000,000 is for a grant to Lexington County, South Carolina, for all expenditures related to the development of a State-of-the-art fiber optics/medium power cable research and development facility in Lexington County; of which $13,500,000 is for a grant to Northeastern University, Massachusetts, for the construction and related costs of University's Southwest Corridor Economic Development and High Technology Resource Center; and of which $3,500,000 is for a grant to the School of Engineering at the University of Nevada, Las Vegas, for construction, equipment, and all related costs to develop instructional and research computing systems and enlarge engineering facilities on the University of Nevada, Las Vegas campus.

HOLLINGS AMENDMENT NOS. 952 AND 953

Mr. HOLLINGS proposed two amendments to the bill H.R. 2965, supra; as follows:

AMENDMENT No. 952

On page 9, line 1, strike "$1,800,000," and insert in lieu thereof the following: "$4,200,000, of which $2,400,000 is to be derived from the general fund of the Treasury and of which $1,800,000 is"

AMENDMENT No. 953

On page 34, line 21, strike "$36,400,000" and insert in lieu thereof "$29,400,000".

AGRICULTURE, FOOD, TRADE, AND CONSERVATION ACT

BOREN (AND OTHERS) AMENDMENT NO. 954

(Ordered to lie on the table.)

Mr. BOREN (for himself, Mr. GOLDWATER, Mr. HART, Mr. LEVIN, Mrs. KASSEBAUM, Mr. RUDMAN, Mr. STENNIS, Mr. DECONCINI, and Mr. CHILES) submitted an amendment intended to be proposed by them to the bill (S. 1714) to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure an abundance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes; as follows:

At the appropriate place in the bill, add the following new section:

SEC. (a) Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 is amended by striking out "$1,000" and inserting in lieu thereof "$1,500".

(b) Section 315(a)(2) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) striking out "$5,000." in subparagraph (C) and inserting in lieu thereof "$3,000;"; and

(3) by adding at the end the following new subparagraphs:

"(D) to any candidate and his authorized political committees with respect to—

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commisioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $100,000 ($125,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election) when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $25,000 when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such runoff election; or

"(E) to any candidate and his authorized political committees with respect to—

"(i) a general or special election for the office of Senator (including any primary election, convention, or caucus relating to such general or special election) which exceed the greater of $175,000 ($200,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election) or the amount equal to $35,000 times the number of Representatives to which the State involved is entitled, when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election);

"(ii) a runoff election for the office of Senator which exceed the greater of $25,000 or the amount equal to $12,500 times the number of Representatives to which the State involved is entitled, when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such runoff election; or

"(iii) a general or special election for the office of Senator (including any primary election, runoff election, convention, or caucus relating to such general or special election) which exceed $750,000 when added to the total of contributions previously made by multicandidate political committees to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election)."

(c) Section 315(a)(8) of the Federal Election Campaign Act of 1971 is amended—

(1) by striking out "person" the second place it appears and inserting in lieu thereof "person and also the intermediary or conduit."

(d) Section 315(a)(8) of the Federal Election Campaign Act of 1971 is amended—

"(1) by adding at the end of the paragraph the following subparagraph:

"(A) Notwithstanding any other provision of this Act, each multicandidate political committee which makes an independent expenditures in a federal election in connection with such candidate's campaign, shall not do so in any newspaper, magazine, broadcast or other media advertisement without the following notice placed on, or within such advertisement:

"This message has been authorized and paid for by (name of committee/or any affiliated organization of the committee), (name/title of treasurer and/or president). Its cost of presentation is not subject to any campaign contribution limits."

(e) Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(2) by inserting immediately after subsection (a) the following:

"(b)(1) If any licensee permits a person to utilize a broadcasting station to broadcast material which either endorses a legally qualified candidate for any Federal elective office or opposes a legally qualified candidate for that office, such licensee shall, within a reasonable period of time, provide to any legally qualified candidate opposing the candidate endorsed (or to an authorized committee of such legally qualified candidate), or to any legally qualified candidate who was so opposed (or to an authorized committee of such legally qualified candidate), the opportunity to utilize, without charge, the same amount of time on such broadcasting station, during the same period of the day, as was utilized by such person.

"(2) For purposes of this subsection, the term 'person' includes an individual, partnership, committee, association, corporation, or any other organization or group of persons, but such term does not include a legally qualified candidate for any Federal elective office or an authorized committee of any such candidate.".

(f) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by striking "section" and inserting in lieu thereof "subsection".

(g) Section 315(e) of the Communications Act of 1934, as so redesignated by subsection (a) of this section, is amended to read as follows:

"(e) For purposes of this section—

"(1) the term 'authorized committee' means, with respect to any candidate for nomination for election, or election, to any Federal elective office, any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000 and which is authorized by such candidate to accept contributions or make expenditures on behalf of such candidate to further the nomination of election of such candidate;

"(2) the term 'broadcasting station' includes a community antenna television system; and

"(3) the term 'licensee' and 'station licensee' when used with respect to a community antenna system mean the operator of such system.".

(h) Section 301(17) of the Federal Election Campaign Act of 1971 is amended to read as follows:

"(17) The term 'independent expenditure' means an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

"(A) For the purposes of this subsection, 'cooperation or consultation with any candidate, with respect to an election cycle means, but is not limited to the following—

"(i) the person making the independent expenditure communicates with, advises, or

counsels the candidate at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(ii) the person making the independent expenditure includes as one of its officers, directors, or other employees an individual who communicated with, advised or counseled the candidate at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office; and

"(iii) the person making the independent expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office."

(i) If any provision of this Act or the application of it to any person or circumstance is held invalid, the remainder of the Act and the application of the provision to any other person or circumstance shall not be affected by such invalidation.

(j) The amendments made by such sections (a) through (i) of this section shall apply with respect to general, special, and runoff election occurring after December 31, 1986.

PREVENTING DISINVESTMENT OF THE SOCIAL SECURITY TRUST FUNDS AND OTHER TRUST FUNDS

PACKWOOD AMENDMENT NO. 955

Mr. PACKWOOD proposed an amendment to the bill (H.R. 3669) to prevent the disinvestment of the Social Security Trust Funds and other trust funds; as follows:

Strike all after the enacting clause and insert in lieu thereof:

That, during the period beginning on the date of enactment of this Act and ending on November 6, 1985, the public debt limit set forth in subsection (b) of section 3101 of title 31 United States Code, shall be increased by an amount determined by the Secretary of the Treasury as necessary to permit the United States to meet its obligations without any accelerated redemption of securities held by the Social Security Trust Fund or any other trust funds established pursuant to Federal law. No increase under the preceding sentence shall result in a public debt limit in excess of $1,840,800,000,000. During this period the United States may not redeem nonmarketable securities held by any trust fund authorized by law. The Secretary of the Treasury shall use the borrowing authority resulting from the increased debt limit in this Act to restore with interest nonmarketable securities which have been redeemed after October 31, 1985 and prior to the date of enactment of this Act. The debt limit shall revert to $1,823,800,000,000 on November 6, 1985.

NOTICE OF MOTION TO SUSPEND THE RULE

Mr. BYRD. I hereby give notice of my intention to move to suspend the following provisions of rule 14, paragraphs 2 and 3, for the consideration of H.R. 3669:

In paragraph 2:

"Every bill and joint resolution shall receive three readings previous to its passage which readings on demand of any Senator shall be on three different legislative days, . . .",

and in paragraph 3:

". . . bills and joint resolutions from the House of Representatives, shall be read once, and may be read twice, if not objected to, on the same day for reference, but shall not be considered on that day nor debated, except for reference, unless by unanimous consent."

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SURFACE TRANSPORTATION

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Friday, November 1, to conduct a meeting on Oversight of the Staggers Act.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Friday, November 1, 1985, in closed executive session, in order to conduct a hearing on intelligence matters.

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

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Friday, November 1, to hold a hearing to examine the condition of the farm credit system.

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

ADDITIONAL STATEMENTS

AMERICA'S NEWSPAPERS OPPOSE SELLING CONRAIL TO NORFOLK SOUTHERN

● Mr. DIXON. Mr. President, in the period between May 1 and September 20 of this year, newspapers in 32 States editorialized 166 times on the proposed sale of Conrail; 56 of the editorials favored the Morgan Stanley proposal, 59 favored keeping Conrail independent, 27 advocated doing nothing, 13 argued that Conrail is worth more than has been bid so far, and only 11 endorsed the sale of Conrail to the Norfolk Southern Railroad.

This means that newspapers around the country favored the Morgan Stanley proposal over the Norfolk Southern proposal by a margin of well over 5 to 1, and favored keeping Conrail independent over selling to Norfolk Southern by an overwhelming margin of over 12 to 1.

This strong opposition to the Norfolk Southern proposal from the pages of newspapers both large and small located in the Conrail or Norfolk Southern territory, or outside it demonstrates the inadequacy of the Department of Transportation's recommendation.

Our newspapers have taken a careful look at the idea of selling Conrail to Norfolk Southern, and simply put, they do not like it. They understand the antitrust problems it raises, and they understand the problems it would cause for shippers and railroads that would connect with the combined carrier. In short, these independent voices are convinced that a sale of Conrail to Norfolk Southern is not in the public interest.

In the days to come, Mr. President, some of my colleagues and I will be including copies of many of these editorials in the CONGRESSIONAL RECORD. I am sure the Senate will find the arguments they make very persuasive.●

THE DRUG WAR IN CENTRAL AMERICA

● Mr. GOLDWATER. Mr. President, I would like to bring to the attention of my colleagues a speech given by Ambassador Lewis Tambs at a commencement address to the Ravenscroft School in Raleigh, NC. Ambassador Tambs, who is the former U.S. Ambassador to Colombia and is the current U.S. Ambassador to Costa Rica, addresses the subject of the ongoing drug war in Central America. He does so perhaps better than any man I have ever listened to on the subject and his comments bear reading. For that reason Mr. President, I ask that Ambassador Tambs' speech be printed in the RECORD.

The speech follows:

A WAR THAT MUST BE WON—DRUGS AND SOUTH AMERICA

(By Lewis A. Tambs, former United States Ambassador to Colombia and Ambasador Designate to Costa Rica delivered as the commencement address to Ravenscroft School, Raleigh, North Carolina, June 1, 1985)

Ladies and Gentlemen, Graduates of the Class of 1985. I would like to talk to you about war, a war against you, your children, and your families. It is also a war against democratic governments in Latin America, a war financed by drug dollars. This is a narcotics war which is destroying the youth,

the society, and the productivity of western civilization in the United States, in western Europe, and in Latin America. This is a world-wide war which ranges from the Golden Triangle in Burma to the Bakka Valley in Lebanon, and on to the Eastern llanos (plains) of Colombia, as well as to Peru and Bolivia.

It is incidential as to whether this seductive subversion is a conspiracy, whether it is engendered by corruption or by chance or circumstance. It is a fact, and that is all that matters. Colombia, sensing the danger to its institutions, has emerged as a model in anti-narcotics efforts—a role model in educating its young people to the dangers of self-destruction through narcotics, a role model in extradition, which Mr. Holding mentioned, and interdiction of narcotics being shipped to the United States, Canada and Western Europe. Colombia, moreover, is eradicating cocaine and marijuana cultivations. Colombia is eliminating drug processing laboratories and Colombians also have made a determined effort, under President Belisario Betancur Cuartas, to terminate money laundering activities through the banks and other international financial institutions.

Colombia used to be noted for Juan Valdes and coffee. Now it is notorious for narcotics. In 1978, cultivation and processing of cocaine commenced in the eastern part of the country. Much of this area was and is controlled by communist insurgents. Many Marxists-Leninists, however, have a certain strain of Puritanism; that is, they initially tried to resist or eliminate this traffic. But, eventually they came to the conclusion that it could be very profitable and enable them to arm and equip their guerrilla warriors against the democratically elected Government of Colombia. So after a few clashes with the narco trafficantes by 1982 the communists and the drug dealers arrived at a modus vivendi.

Communist insurgents, either by levying a liberation tax for protection or actually being engaged in drug business, are financing the procurement of weapons and training for their guerrilla fighters to overthrow a friendly, democratic society. Two presidents, both Liberals, President Turby-Ayala and President López-Michelsen—expressed their concern to me about what was occurring in their country. They understood that communist terrorists, financed by drug dollars, were training and arming and infiltrating into a region of the country.—the Media Magdalena—an area which if it became a communist stronghold, would have controlled over 30 percent of the national economy.

Guerrilla forces were increasingly better trained, better armed, better shod, better fed and equipped than the police and the military. Where did the money come from? It come from narcotics. The colombian government determined to take a strong stand. In March of 1984, working with U.S. agencies, they launched the biggest drug raid in history in the Eastern Ilanos and destroyed, along with seven large laboratories and airstrips, some 14 tons of refined cocaine. At the seventh airfield and drug laboratory, the Colombian Armed Forces found a rifle range, an obstacle course, a soccer field, and a tailor shop, belonging to one of the major communist insurgent groups. The subversives also left behind three names marked for assasination. Col. Ramírez of the National Police Force, my name, and the Minister of Justice. The young Justice Minister's name was Rodrigo Lará. He was in his early 30's. He had a wife and three children. Six weeks later, he was gunned down in Bogota, assassinated by the narco-terrorists. Only two weeks earlier, I was chatting with him in his office. He told me that he estimated that the narco-guerrillas in two areas alone had netted $110 million in one year and that they were using these ill gotten gains to overthrow the democratic government which he served. He paid for his courage with his life. I buried him. Nevertheless, the Colombian government continued its strong stance. But the terrorists were still active. a few weeks after the assassination of Rodirigo Lara, the United States Embassy was bombed twice, as was my own residence.

I would like to take this moment now to ask you to pay tribute to the Foreign Service Officers, the DEA (Drug Enforcement Agency) agents, the FBI, the Defense attaches and other governmental agencies which stood fast in their efforts in spite of terrorists threats to them and their families to save you in this room.

Insurgency financed by drug dollars continued. In July 1984, the Colombian Armed Forces undertook a major marijuana operation against the M-19 near the Venezuelan border. Also in July a singular event occurred when one of Colombia's major drug dealers, Pablo Escobar-Gaviria, was photographed loading refined cocaine in Nicaragua for transshipment to the United States. He was aided by a Nicaraguan government official, Federico Vaughan who worked for the Minister of Interior in Communist Nicaragua. Tomás Borge.

This is not the first time Carribean communists were involved in narcotics trafficking. In 1981 the Cuban Ambassador to Colombia, Revelo, was expelled from Bogota because he was engaged in exporting narcotics. He, along with six other Cuban officials are under indictment in Miami, Florida on drug related charges.

Communist Cubans and Nicaraguans are clearly implicated in international drug dealing. Nicaragua is also the scene of a betrayed revolution. The original Sandinistas were composed of Liberals and Conservatives, Social Democrats and Social Christians. But in July 1979, the communist commandants seized power. They had the guns. The military-Marxists have built up a formidable military machine. In Nicaragua, as of June 1985, the military-Marxists have 110 T-55 and 20 T-76 tanks some 200 armored personnel carriers supported by 30 helicopters including the latest Soviet model counter-insurgency Hind helicopter, the MIG-24, and over 100 field artillery pieces. Additionally the nine of the military-Marxist junta have at their disposal some 64,000 regular troops and another 60,000 armed militia.

In the worst days of Somoza, the tyrant Somoza, his National Guard never exceeded 12,000 men backed by three artillery pieces and three World War II vintage tanks. Nicaragua has become an armed camp, and is exporting revolution to its neighbors in El Salvador and to other countries in Central America.

Central America is important to us. It is important to the United States because of the Panama Canal and our strategic Caribbean sea lanes. Moreover, the construction of the airbase at Punta Huete on Lake Managua—an airfield capable of handling the largest long-range Soviet bombers—will give the Soviets the capability of launching reconnaissance missions from Siberia, patrolling the Pacific coast of the United States and refueling and returning from Nicaragua. Soon you may have a similarity with America's Atlantic Coast where Soviet aircraft fly along the Eastern seaboard of North Carolina. Basing on Nicaragua, Soviet Bear bombers may soon be doing the same off America's Pacific shore.

Central America is important to the development and defense of democracy. There are three constitutional democracies: El Salavador, Honduras, and certainly Costa Rico. Guatemala is moving toward constitutional government. The United States government believes that democracy is essential for the stability of the region. For, in general, democracies do not export revolution. They do not declare war on their neighbors. Under the Jackson Plan, what the U.S. seeks in Central America is democracy, development, demilitarization and the departure of foreign forces. The Administration hopes to achieve this through dialogue. The Sandinista government, the Junta, the Nine, the military-Marxists—and since they always wear uniforms that should tell you something about them—have broken all their prior promises. Promises they made to hold free, open, democratic elections. Promises they made to respect human rights. Promises they made to establish an independent and impartial judiciary. These promises were made to the Organization of American States in July 1979. More importantly they were made to the Nicaraguan people.

Foot people are fleeing Nicaragua. When the communists take over, ten percent of the people leave. Indochina, Afghanistan, Ethiopia, eastern Europe and Cuba are examples. Currently, Central America is pursuing this pattern. There are 25 million people in Central America: 75 million more in Mexico—a hundred million people. And if these poor souls seeking to survive, following freedom, begin to move, the United States is going to be faced with mass migration—which, in the long run, may aid the United States because these refugees are willing to work and are generally anti-communist. Nevertheless, this migration could present grave social and economic problems in the short term. Therefore, there is danger to the South, danger to the democratic states of Central America, and danger to the democratic states of South America, like Colombia.

In Colombia, I noted that the United States had worked with the Colombians in the big bust of March 1984. Late last year there was reactivation of one of the airfields and laboratories. On October 12 Colombian National Police, aided by the military, helicoptered in to destroy the cocaine laboratories which were being rebuilt along with the 120 drums of precursor chemicals which process this death-dealing drug. The first two days Lieutenant Neyra and a paratrooper died from sniper fire. I buried them. The next day Lieutenant Alvarez was killed. I buried him too. But, nevertheless, the Colombians pressed on and finally were successful in winning through. But what did the Colombians find? They found literature and account books, which belonged to a communist insurgent group. Therefore, once again there is a direct correlation between insurgency and drug dollars. Once again, I'm not interested in whether it's conspiracy, whether it's chance, or whether it's corruption, it's a fact.

Attacks against the U.S. mission continued. In November 1984, the narco-terrorists launched a car bomb against the United States Embassy in Bogota. One unfortunate woman was killed. She, of course, was an in-

nocent bystander. But, the U.S. mission stood fast. We were, however, obliged to initiate the evacuation of our women and children.

And then in December 1984, Ivan Mariano Ospina, the military leader of the M-19, a Colombian communist Castroite group, surfaced in Mexico City. He called not only for the assassination of U.S. diplomatic personnel in Columbia, but also clearly stated his desire to collaborate with the drug trafficker, in attacking the United States.

Again in January 1985, Carlos Ledher, one of the major drug traffickers, voiced the same opinion. He singled out the President of Colombia, Belisario Betancur Cuartas, for assassination. Nevertheless, the President forged ahead. The threats continued in April and in May. In April on TV in Paris, the leader of the Moscow line insurgent group Manuel Marulanda, Tirofijo stated that he now had 40,000 men that he was preparing to launch against the Colombian government.

Where did the money come from, you should ask. Well, I think you can guess by now.

And then again in May, just a few days ago, two Colombian military helicopters were shot down by communist insurgents in an area which has long been noted for its drug trafficking. The Colombians are taking the casualties. But U.S. citizens are taking the casualties too. With regard to consumption of cocaine, most of it occurs in this country in the age group of 28-42. This is the managerial, the entrepreneurial, the economic elite, the so-called productive class; it can afford to buy this debilitating and demoralizing drug.

Do you wonder why U.S. industry may be in trouble if the scientific business and academic elite is sniffing its minds away up their noses on cocaine? We have the destruction of our youth. And I ask you how much do you think it costs for rehabilitating a person who is a cocaine addict? The minimum is $20,000 if they are salvageable. It may go as high as a $100,000 in some cases. What are we going to do with these zombies? We are a people in the Judeo-Christian tradition. We are going to have to take care of the unfortunates. We are going to have to warehouse them. And that money could be used for other things. It could be used for your education. It could be used for social services. It could be used for research and development or new production facilities.

So, therefore, ladies and gentlemen, we are talking about a war—a war which involves not only a direct assault on democratic governments in Latin America like Colombia, financed by drug dollars, but also a generalized war against the future. You the young people are the future of western civilization, and the war is against our managerial skills, our productivity, our creativity, our tomorrow.

We, therefore, are faced with conflict. We are faced with a crisis. And the fact is that basically, it is a spiritual, a metaphysical problem. You should love yourself and your neighbor, because people who live themselves generally do not get involved in narcotics—either as users, abusers, or dealers.

Therefore, ladies and gentleman. I ask you for your sakes, your children's sakes, for your nation's sake, to remember we are taking about war. We are talking about a war, a war which must be won.

Thank you very much.●

REDISTRIBUTION OF WEALTH

● Mr. SIMON. Mr. President, the Peoria Journal Star is one of the most influential newspapers in the State of Illinois.

It published an editorial recently which commented on something that seems to have escaped the attention of most editorial writers and Members of this body.

The reality they are talking about is the massive redistribution of wealth that is taking place with our immense deficits and interest payments.

Their sensible editorial is worth reading. I urge my colleagues to do so. I ask that the Journal Star editorial be printed in the RECORD.

The editorial follows:

[From the Peoria Journal Star, Oct. 6, 1985]

THE RICH: DEFICITS REDISTRIBUTE OUR MONEY UPWARDS

Sen. Paul Simon, D-Ill., has called attention to an important byproduct of the federal deficit that rarely gets mentioned.

It is the massive redistribution of income now going on in America in which the federal government takes money from people of modest and limited income and gives it to the rich and the well-to-do. This is something that will be going on for a long time into the future.

We all know that the federal government, because it is spending about $200 billion a year more than it gets in taxes, has to borrow that much money to pay its bills. We also are well aware that the total federal debt now amounts to nearly $2 trillion.

Like any of us, when the government borrows money it has to pay interest. In the fiscal year that we are just now beginning, Washington will pay $181 billion in interest.

That many tax dollars go toward no government program whatever; they don't pay soldiers' salaries or elderly Americans' pensions or the cost of rebuilding after hurricanes or anything like that. They are merely interest payments given to people who loaned the government the money that it didn't have but wanted to spend anyway.

Who gets the interest? Obviously, people who can afford to buy Treasury bills, because selling them is the way the government borrows. The ones who buy these bonds are mostly people (and institutions) of means who have enough money on hand to lend to Uncle Sam.

Ordinary people, who pay the bulk of the taxes that are used to pay the interest, cannot afford to get in on this bonanaza. They give, and the others take.

Every time you send the federal government $100 in income taxes, $20 of it is sent to some Treasury-bill holder as an interst payment. You might just as well send $80 to Washington and mail $20 directly to some retired physician in Fort Lauderdale.

Simon calls this "a government-sanctioned redistribution of such immensity that no feudal lord of the Middle Ages could have dreamed of anything like it."

That is not an exaggeration. We would not want to believe that the president and Congress have been doing this deliberately, but, on the other hand, we can't help but notice that they have not been doing anything significant to stop it.●

HANDICAPPED BASEBALL

● Mr. D'AMATO. Mr. President, it brings me great pleasure to rise today to call the attention of my colleagues to an example of the great achievements and successes which can be achieved by our friends and neighbors who are handicapped. These are individuals who, through either physical or cerebral impairment, are engaged in a constant struggle to cope with life's difficulties on a day-to-day basis. The many conveniences of life we too often take for granted are frequently difficult or next to impossible for the handicapped to employ.

We, as individuals in a society full of complexities and sophistication, have taken advantage of technological innovations, such as the telephone, in order to make life as easy for ourselves as possible. There is nothing wrong in exploiting the use of such a tool, as long as it is accessible to everyone. We, as a nation, must see to it that those of us who are handicapped are given equal access to the conveniences of daily living. The strength of the individual lends to the strength of the Nation.

For this reason, I have cosponsored S. 402, legislation to require all telephones to be compatible for use with hearing aids. S. 402 also requires that common carriers provide specialized equipment for telephone service for use by persons whose hearing, speech, vision, or mobility is impaired. The strength of this legislation is its encouragement of individual capability and productivity—factors vital to fostering the synergistic development of individuals, which lead to a stronger Nation.

There are many organizations dedicated to helping handicapped individuals. This aid often involves the teaching of self-confidence and self-esteem. These organizations encompass a broad range of institutions from hospitals to group homes, but I would like to call attention today to one small, but effective, organization—a baseball team—which amply serves as an example of what a little time and a little caring can mean to a handicapped individual.

The story of this baseball team, written and published by Newsday this past summer, describes a group of special athletes who come together on weekends to compete. These children are learning how to deal with the frustrations which make it difficult for consistent social interaction with other children. I would like to share this article, as it brings out the best in these children. We must support these children, just as we must make certain that all Americans remain strong. This is the strength of our Nation.

Mr. President, I request that this article be printed in the RECORD in its

entirety at the conclusion of my remarks.

The article follows:

THE HANDICAPPED CAN PLAY, TOO

(By Joe Krupinski)

When 9-year-old Steven Geers reached first base safely, he celebrated by stomping on it with both feet.

Before 8-year-old Kristin Soiners batted, she remembered to first blow a kiss to her mother on the sideline.

Tiny Stephanie Santino determinedly pounded a fist into her glove before catching a thrown baseball, just as her uncle had taught her.

Mike Ferrer, his cap askew, gave a high-five to his coach when he scored. Nobody had to tell him that was the thing to do.

Such incidents are commonplace in hundreds of Little League baseball games throughout Long Island every spring. Except that this particular game, played on a recent Saturday afternoon in Lindenhurst, was special. The players all are handicapped, physically or mentally, because of cerebral palsy, Down's Syndrome, autism and other forms of mental retardation or learning disability.

"Something's missing," Nassau County police officer Richard Northorn said to himself last summer, after his two normal sons, Richie (10) and Larry (7), had completed another season with the Lindenhurst National Little League. "I was doing some volunteer work at the Nassau Rehabilitation Center [in Woodbury] and thought, "These kids would *also* benefit from playing ball like other kids. A handicapped child only wants what every child wants—a sense of belonging. They want to have friends, and the best way to make friends is through sports."

It took an extraordinary effort by Northern and others to promote interest in such a program, however. While officials of the local Little League readily accepted the idea of sponsoring a special team, parents of the handicapped children were reluctant to join in right away. "By nature, these mothers and fathers are overly protective of their handicapped youngsters," Northern said. But by the May 4 Opening Day, the "Lindenhurst Pioneers" team had 21 players between the ages of 6 and 16, coming from communities as far away as East Meadow.

Northern, who knows all his charges by name and disability, acts as the manager with the assistance of a dozen volunteer coaches, one for every child or two. The weekly two-hour session begins with warmup exercises ("just like the major-leagues do," he urges the kids) and individual running of the bases ("to give them a feel of the game"). The group breaks up for catch-and-throw practice along the baselines. Then the actual "game" takes place, with players using a batting tee for the time being. The workout is happily ended with sodas all around. Players hug and kiss their coaches, promising to be back on time next week.

"This is beautiful," said LIRR conductor William Washington of Copiague, whose 10-year-old son, Billy, was born with cerebral palsy and communicates by sign language. "The neighborhood kids play ball in the street and he watches over the yard fence. They don't understand him. Average kids don't get along that well with handicapped kids because they're different. Kids like everybody to be the same."

Alex Santino of Lindenhurst, whose 6-year-old daughter Stephanie was born with Down's Syndrome and is the smallest member of the program, admitted that he was "skeptical about anybody being able to put a thing like this together. I thought it would fizzle because it takes so much time and patience. But look how many people they've got involved. There's a civic pride here."

The players were provided with the same uniforms (shirts, pants and socks) as all the other Little Leaguers in Lindenhurst. Four dozen caps were donated by the Nassau Policemen's Benevolent Association. The Lindenhurst Lions Club has promised to deliver a pair of portable restrooms to the Niagara School field. The Knights of Columbus has made a $100 donation and the Hempstead Village Police have given 200 free tickets to a summer concert featuring music of the '50s for the participants and their families.

One of the coaching volunteers is Stephanie's uncle, James King, who arranges for a friend to take over his hot-dog stand business on weekends so that he can be with her. "Whatever Stephanie wants, Uncle Jimmy gives," said Stephanie's mother, Cookie Santino. "She used to watch her older sister play softball. Now she says, 'My turn, my turn.' She wanted to put on her uniform at 8 o'clock this morning."

Another enthusiastic team member is 7-year-old John Ketchum of Amityville, who has an IQ of 135 but suffers limited use of his right hand and right leg because of cerebral palsy. "We have him in therapy to deal with his handicap, which he hasn't been able to do because it's so frustrating to him," said his father, John. "Some kids tease him and call him a dummy at school. On the other hand, others pick up his books and help him with his coat. He likes all sports. He can tell you the statistics of half the players in the major leagues."

Matthew Gagnon, 9 of Hicksville might be physically able to play baseball as well as other boys his age, but is hampered by autism, a learning and behavioral disorder. "He gets upset at a moment's notice," said his father, Bruce. "This morning he told us, 'I'm not going to play today.' But two hours later he was anxious to come. Once he sees the other children, he enjoys it. He generally doesn't have this opportunity for socialization. This is great for him."

Matthew accidentally collided with a fielder while running to first base and began crying. But young John Ketcham, who was helping to coach at first, stopped his tears by whispering, "When any of these kids hit you, let me know." With their parents anxiously watching the exchange from the sideline, the two boys spontaneously hugged each other on the field. "I think he's made a friend," Bruce Gagnon told his wife with an unmistakable lump in his throat.

His adoptive parents beamed while infielder Frank Watson of Wantagh, a 13-year-old with Down's Syndrome, smoothly scooped up a ground ball and threw the runner out. The Sunday before, Joseph and Elizabeth Watson, who adopted Frank six years ago since their own five children had grown up and married, had watched their son. ("We first got him as foster parents when he was a baby.") win two events in the Naasau County Special Olympics track and field meet at Mitchel Park.

"He tends to be hyperactive," Elizabeth Watson confessed, "and this is a wonderful outlet for him. He loves sports of any kind, including basketball and soccer, too. He copies what he sees on television, the batting stance and the whole bit. He used to like Reggie Jackson when he was with the Yankees. Now his hero is Darryl Strawberry of the Mets."

As the baseball game comes to a close, it is difficult to determine who has had a better time, the kids or their coaches. "Their joy is our joy," said 26-year-old Lori Zeller of Hicksville, who was told about the Lindenhurst program by a friend. "When you see them smile after catching a ball, it's worth it. You know they're building more confidence by being here. It makes us feel special to give them some of our time. There's no place else I'd rather be at this moment."

Since the season continues through June 29, there's still time and room for more players and coaches in this special program, which is held each Saturday at the Niagara Avenue Elementary School in Lindenhurst. Donations are also welcome. Contact Richard Northern, 120 North Jefferson Ave., Lindenhurst 11757 (call 516/884-4971).

There also is a program for mentally retarded youth called the North Babylon Trailblazers. Contact Tony Siracuse, North Babylon Youth League, PO Box 2023, Deer Park Avenue, North Babylon 11703 (516/587-8479).

With teams from North Bellmore and North Merrick forming, plans are being made to establish a traveling league for all teams next spring.●

THE INTERNATIONAL ECONOMY TO 1999

● Mr. HART. Mr. President, earlier this week, Prof. Gary Hufbauer of Georgetown University delivered an extraordinary address on the occasion of his appointment as the first Marcus Wellenberg professor of international financial diplomacy. I wish to share that speech with my colleagues today.

Professor Hufbauer's address is noteworthy in two respects.

First, it is one of the clearest arguments for elevating the role of international economics in our foreign policy. Professor Hufbauer, an economist, recognizes what too many foreign policy experts overlook. He notes that many of America's greatest postwar accomplishments in world affairs have been in economics: our leadership to expand world trade through GATT, to create the institutions of international economics at Bretton Woods, and to draw developing nations into the economy of the Free World. He also correctly observes that our economic strength provides a tremendous edge over the Soviet Union—an edge we should better exploit in our continuing competition with the Soviets.

Second, Professor Hufbauer offers a cogent argument against protectionism and other constricting approaches to international economics. He argues that our Nation and other Western nations exacerated the economic collapse of the 1920's and 1930's by responding with tariffs and other policies that reduced world economic activity rather than increasing it. He concludes we can overcome the likely economic challenges of the next two decades if we resist pressures for such policies and steer instead toward policies that expand trade, reduce unfair trade

practices by our competitors, and modernize our own industrial profile.

Professor Hufbauer's address, entitled, "The International Economy to 1999," provides an excellent portrait of the economic possibilities for our future, and I recommend it to all my colleagues. Mr. President, I ask that Professor Hufbauer's remarks be reproduced in full at this point in the RECORD.

The remarks follow:

THE INTERNATIONAL ECONOMY TO 1999

(Address by Prof. Gary Clyde Hufbauer)

I. PROLOGUE

Father Healy, Dean Krogh, Peter Wallenberg and members of the Wallenberg family, Ambassador Wachtmeister, distinguished guests. It is a signal honor to be named the First Wallenberg professor at Georgetown. The Wallenberg family of Sweden is one of the great families of Western society. It has been compared to the Rockefellers of the United States, the Rothschilds of France, and the Medicis of Italy. In this comparison, Marcus Wallenberg may be singled out as a twentieth century Lorenzo the Magnificent. He was a trusted emissary for his nation during the difficult years of the Second World War, a patron of the arts and sciences on a magnificent scale. A champion player on the Wimbledon courts, a pioneer leader of Swedish finance and industry, and a dedicated exponent of liberal international policies. Marcus Wallenberg was born in 1899. I propose to celebrate his centennial birthday early by reflecting on the shape and dimensions of the world economy over the century ending in 1999.

The printed invitation to this ceremony billed the title of my address as "The International Economy in 1999." You are here under false pretenses. In fact, the title is "The International Economy to 1999." As we now embark on a tour of history, you will discover what a big difference a small preposition can make.

The international economy is built on the simple fact that each country can improve its national life through exchange with foreign countries:

Most obviously through the exchange of goods;

But also through the migration of people and the flow of capital from one nation to another;

And equally important by the exchange of ideas to inspire fresh insights on the organization of business and society at large.

In the years since 1899, economic life has vastly improved for most countries, and international exchange has made a major contribution to those gains. If the rules of international commerce over the past century had been written by small- and mid-sized countries—such as Canada, Sweden, and Korea—quite possibly the world economy would have witnessed uninterrupted integration in all its dimensions. The great majority of successful small- and mid-sized countries depend on the world economy.

But the rules of the international system have been written by the major players—in recent years, the European Community, Japan, and the United States. Prosperity in large countries does not visibly depend on outward-looking economic policies. As a consequence, large countries have sometimes tolerated measures that damage the world economy. Today, for example, Japanese telecommunications policy, the European common agricultural policy, and the U.S.-inspired Multifiber Agreement all serve to disrupt international commerce.

What consideration guide the major powers in choosing between liberalization and protection?

One set of considerations involves macroeconomic disturbances—boom, depression, commodity price shocks, and exchange rate fluctuations. Macroeconomic events do influence the choice between liberal and protective policies, but macroeconomic events are not the whole story. In different eras, the major powers have responded in quite diffeent ways to similar macroeconomic disturbances. To explain these different policy responses it is useful to remind ourselves that large countries often regard international commerce as an instrument of foreign policy. This was notably true of British economic diplomacy in the nineteenth century, and American economic diplomacy after the Second World War.

II. A CENTURY OF INTERNATIONAL TREMORS

Over simplified, the international economy of the past century can be divided into five episodes, each marked by central features of economic integration or disintegration, reflecting the play of forces between macroeconomic events on the one hand and the foreign policy concerns of the major powers on the other. Let me try to capture the central features of each of those five periods. Those who dread history should not be alarmed, for I shall compress more than 80 years into less than eight minutes.

1. The first period, 1879-1920, was an age of overseas investment and emigration, camouflaging a slow rise of trade protection.

The last quarter of the nineteenth century and the first decades of the twentieth were not years of liberal trade policy. The decisive step came in 1879 when Germany, the country which had gone farthest down the road to free trade, adopted the Bismarch tariff, a measure that brought huge political advantage to the Chancellor, but set in motion a slow rise of retaliatory protection.

Nevertheless, under the umbrella of British diplomacy, a large measure of free trade was maintained and other features of the international economy were positively buoyant. Emigration and capital flows from Europe providing a driving force. Scaled to the present-day U.S. economy, immigration at the rates of the pre-First World War period would require about 11 million immigrants into the United States per decade—about twice recent rates of legal and illegal immigration combined. Again, if the United States today were to invest abroad at the rates achieved by Britain in the pre-war period, it would require net capital outflows of $200 billion per year. Instead, U.S. net capital inflows may reach $200 billion annually in the years ahead. We have come a very long way from the halcyon period of British diplomatic supremacy.

2. In the second period, 1920-1929, only the flow of capital remained unfettered.

After the First World War, political leaders reacted to events, and they gave little thought to the construction of an enduring world economy. The major powers erected a new barrage of tariffs and nontariff barriers. The movement of people was restricted as well. American policy surrendered to crude prejudice against the supposed "flood" of southern European immigrants.

The outstanding positive characteristic of the international economy in the 1920's was the movement of capital, associated both with war reconstruction and postwar development. As late as 1929, it seemed that the cornucopia of finance centered in New York would sustain the world economy for years to come. But world prosperity could not be indefinitely nourished by a financial bubble that fed on itself. In 1930, all collapsed.

3. The third period, 1930-1950, was an era of cataclysm and reconstruction.

The failures of the 1930's were spectacular. First there was market failure. Disaster began with the U.S. stock market crash of 1929, followed by bank failures in Europe and the United States. Financial rout was accompanied by plummeting industrial production.

Next there was policy failure. The United States Federal Reserve Board, the Bank of England, and the Bank of France proved remarkably inept in handling the financial crisis: They failed to act as lenders of last resort, they failed to expand the money supply in the face of collapsing production; and they engaged in destructive exchange rate competition.

As national economies collapsed, the international economy all but disappeared. Trade was devastated by an avalanche of tariff restrictions and exchange controls, triggered by the Smoot-Hawley tariff of 1930.

Neither France, nor the United Kingdom, nor the United States saw the preservation of the international economy as a key objective of foreign policy. France was preoccupied with a resurgent Germany; the United Kingdom was concerned with preserving an empire; and the United States was consumed by isolationist sentiment.

Out of the cataclysm emerged a constructive attitude. With tiresome persistence, Secretary of State Cordell Hull advocated tariff reduction as the central instrument of U.S. foreign policy. After the Second World War, the United States and the United Kindom saw their foreign policy interests served by rapid reconstruction of the world economy. This was their strongest and best answer to a menacing Soviet Empire. They created a network of magnificent institutions to promote economic integration: The International Monetary Fund, the World Bank, the GATT and the OECD. Marcus Wallenberg was a visionary actor in the postwar reconstruction of Europe.

4. The fourth period, 1950-1970, so familiar to most of us, was a golden age of trade and investment.

In the postwar years, expanding trade and growing capital flows, and the spread of multinational firms powered the international economy. The network of international institutions, together with memories of interwar mismanagement, served to buffer the system against inevitable but unforeseeable shocks.

5. The fifth and most recent period, 1971 to the present, can be characterized as an era of successful damage control policies.

In August 1971, faced with a growing external deficit, President Nixon closed the gold window and imposed a 10 percent surcharge on imports. Fortunately, instead of engaging in destructive retaliation, the major powers transformed the Bretton Woods system of fixed exchange rates into the current system of floating exchange rates.

When the oil shocks of 1973 and 1979 hit the international economic system, the major powers showed the good sense not to corner available supplies of traded oil. Instead, they cooperated with one another in sharing the burden of shortages and higher prices.

When the developing country debt crisis hit the world economy in the summer of 1982, responsible policies were again pursued. The International Monetary Fund and the Federal Reserve Board skillfully averted financial panic.

In the written version of these remarks, I present a tabular score card that summarizes the major episodes of integration and disintegration over the past century. This score card gives cause for modest optimism. The worst outcomes occurred when failing markets were met with restrictive policies. Those outcomes occurred in the 1930's, when collapsing trade and capital flows were reinforced by the Smoot-Hawley tariff and its progeny, and by widespread exchange controls. Conversely, the best outcomes occurred when market integration was reinforced by liberal policies, most conspicuously in the years immediately after the Second World War.

Recent years are characterized by more constructive episodes than destructive episodes. Based on this experience, we may speculate that the international system has developed workable damage-control mechanisms. The major powers may squabble with one another over steel, wheat and telecommunications, but the international economy of the 1980's contains a far stronger immune system than it enjoyed in the 1930's.

III. CHALLENGES TO THE YEAR 1999

With this retrospective survey in mind, I shall try to sketch the international economy in the years remaining to 1999. This sketch must start with an outline of future macroeconomic disturbances—no easy task.

In 1913, who foresaw shifting roles of Europe and the United States as suppliers of world capital? In 1972, who foresaw the coming oil shocks? Undaunted by the hazards of forecasting, let me suggest looming areas of strength and weakness in the world economy.

Economists often delight in their reputation as practitioners of the dismal science. Two well-known Wall Street economists have been nicknamed Dr. Doom and Dr. Gloom.

Nevertheless, the world economy exhibits several areas of strength. To start with, certain problems of recent years seem unlikely to return. Ample supplies of oil and minerals, together with an abundance of foodstuffs, promise a long period of stable commodity prices. Meanwhile, industrial firms are more often plagued with surplus capacity than shortages. The leading central banks have seemingly banished the spectre of printing press inflation. The Thatcher-Reagan revolution has arrested the upward spiral of social welfare programs, while congressional and parliamentary skeptics have stalled the outsized growth of military spending.

Taken as a whole, these background circumstances favor a long period of noninflationary expansion. This favorable background is complemented by at least three buoyant forces in the world economy: First, a rising entrepreneurial spirit; second, a dynamic pacific economy; and third, a communications revolution. Let me say a few words about each of these buoyant forces.

The liberal economic philosophy embraced by Western nations for two centuries was built on a continuing process of innovation. In turn, innovation has largely depended on private entrepreneurs, illustrated so well by the Wallenberg family.

Governments seldom succeed in their own attempts at commercial innovation, but they can do much to encourage or to thwart private initiative. In some countries, such as Nicaragua under Somoza or the Philippines under Marcos, political power has been used to extract huge amounts of wealth from business, crushing private initiative in the process. In other countries, such as India and parts of Scandinavia, a heavy overlay of regulation stifles entrepreneurial efforts.

The bright feature of the late 1980's and the 1990's is the worldwide spread of government policies that support private entrepreneurs. Pro-business attitudes have captured government thinking not only in the industrial countries, but also in such far flung places as New Zealand, China, and Argentina. This contagion can only bode well for the world economy.

Carrying the entrepreneurial banner, the Pacific Basin promises to become the growth center of the world economy. The Japanese success story is widely known and rightly celebrated. Other East Asian countries have delivered equally spectacular performances. In two decades, Korea has increased its income per capita by almost four times.

The growth push in the Asian-Pacific region will powerfully stimulate the rest of the world economy in the years ahead. Equally important, the region serves as a modern lesson on the conduct of economic policy. The successful countries in the region have two important characteristics in common: They rely on private firms and they are tied to the world economy. The triumphs of East Asia clearly favor the capitalist-internationalist model of development over the Socialist-Isolationist model, a lesson now widely noticed in India, China, and parts of Latin America.

A wealth of technical innovations will transform the world in the next 15 years. From the standpoint of the international economy, perhaps the most far-reaching innovation is the communications revolution.

Transcontinental communications enable the vast interchange of human services across long distances, a powerful twentieth century echo of nineteenth century immigration. Bookkeeping operations will be performed in Sri Lanka for companies in Sweden; legal briefs will be drafted in New Delhi for filing in New York; the Mayo Clinic will diagnose medical cases in Nairobi; company engineers in White Plains will direct smart robots in Sao Paulo. In short, the communications revolution will facilitate specialization and low cost production on a global scale.

Unfortunately, the combination of favorable background circumstances and buoyant forces does not compel the conclusion that the world economy can look forward to an era of smooth sailing. Here I must put on the garb of the dismal science. You may think of this gown as my doomsday robe.

Macroeconomic contradictions are now the foremost danger. At one time it was thought that a world of floating exchange rates would permit each nation to pursue its own vision of fiscal and monetary policy, and that gently moving exchange rates would ensure approximate balance in each nation's external accounts.

Recent events have shown three things: First, that exchange rate changes are anything but gentle; second, that the free flow of capital can lead to exchange rates that satisfy financial markets but are badly overvalued or undervalued in terms of trade competitiveness; and third, that the major nations can experience significant and persistent trade imbalances. In short, while floating exchange rates can indeed reconcile contradictory macroeconomic policies, they do so at great political cost to the international economic system. Seventy-nine percent of Americans now blame foreign trade for the loss of jobs. Even more important, elite circles in San Francisco, New York, and Washington now tolerate protectionist arguments.

The accord reached at the Plaza Hotel in September represents an important first step in correcting the misalignment of exchange rates. But it is possible that none of the tough backup policy decisions will be taken, and that the world economy will witness a scenario of enormous U.S. trade deficits exceeding $200 billion annually through the rest of the 1980's. This scenario presents two dangers. On the one hand, there is the danger that the collapse of the dollar in the late 1980's could generate much the same shock wave consequences on world financial markets that the collapse of the U.S. stock market inflicted in 1929. On the other hand, there is the danger that, if the dollar does not fall quickly, the major powers, led by the United States, will embrace irreversible policies that strangle the growth of world trade and choke off the integration of world capital markets.

If the present situation degenerates into restrictions on trade movements and capital flows, or if huge exchange rate movements lead to another round of double-digit inflation, new approaches will be required.

The major powers might ask the International Monetary Fund to take on the vestiges of a world central bank. As a start, the IMF could serve as the forum for meaningful consultation on the fiscal and monetary policies of the major nations. In time, the major nations might grant the IMF discretionary powers over the issue of special drawing rights for the purpose of intervention in exchange markets.

Rising debt burdens pose another danger to the world economy. The debt bubble could burst with the involuntary extinction of debt claims on a global scale, through the mechanisms of bankruptcy and its international analogues. Alternatively, a return to inflation could solve the problems of this generation of debtors, but create another and larger generation in its wake. More constructive, the debt bubble could be gradually deflated through policies that reduce real interest rates and encourage a return to equity finance on a world scale.

Signs can be found that the major powers are adopting the necessary transitional support for a slow deflation of the debt bubble. In the 1985 bank-fund meeting, the United States offered plans for bolstering the World Bank. But will the fiscal discipline so necessary for ensuring a gradual deflation of the debt bubble be put in place?

A third area of weakness is the management of structural adjustment. Europe, Japan, and the United States have all done very badly at rationalizing agricultural production. The abundance of biotechnology, coupled with the bounty of public finance, now threaten to give the world unwanted oceans of milk and mountains of grain. Meanwhile, a parade of industries face stiff competition from China, India, Brazil, and other emerging countries.

The major powers need new solutions to their sunset industries and their uncompetitive farms. I favor an approach that would dedicate revenues from temporary "escape clause" tariffs to the adjustment of troubled industries and high-cost agriculture. Japan, for example, might inaugurate an exit pro-

gram for its rice farmers and petrochemical workers; the United States might downsize its carbon steel and apparel factories; while Brazil and India might reduce the hothouse protection of their computer industries.

IV. THE INTERNATIONAL ECONOMY IN 1999

To conclude: Conditions are in place for a long period growth in the world economy. Whether this promise is realized depends on how our statesmen face the challenges ahead. None of the challenges I have mentioned is insurmountable. The problems stem from financial imbalances and high-cost industries, not scarce resources and capacity shortages. The solutions require sensible economics, not technological miracles. The central problems facing the world can be solved in positive ways that point to a greater integration of the world economy, much as was done in the tumultuous years between 1971 and 1985.

But the tremors ahead will not be met in a constructive fashion unless the leading countries see their political interests served by liberal policies. And here I have my doubts. Each of the great liberalizing movements of this country—the reciprocal trade agreements program of 1934, the Bretton Woods system, and European economic integration—emerged from the bold designs of pioneering statesmen. They were not the result of a close calculation of costs and benefits by professional economists.

As the 1930's recede into a more distant past, a new generation of Western Statesmen has come to view the international economy as a pleasant background feature, not a central concern deserving the same priority attention as star wars.

These priorities are wrong. The triumphs of American and European Diplomacy since the Second World War are economic triumphs, not military triumphs. One need only contrast Bretton Woods, the vast growth of trade, and the appearance of capitalism in China, with Suez, Vietnam and Lebanon to see the point.

Our leaders have shown that they will rebuff crude protectionism. But will they embark on ambitious new efforts at integrating the world economy? In his April address at Princeton University, Secretary of State George Shultz spelled out a bold vision to meet the economic challenges of our time. It is not evident that his words carried to Capitol Hill, much less to Tokyo and Brussels.

I conclude that the world economy will need to suffer at least one dramatic shock before the major powers will concentrate their attention on overhauling the international machinery. We in Washington have an unfortunate but enduring expression: "If it ain't broke, don't fix it." On present evidence, the international machinery needs to be visibly broke before it will be properly fixed.

When the shock occurs, can the spirit that led to Bretton Woods and European economic integration be rekindled? Our leaders must grasp four essential facts: First, with proper policies, the West can easily surpass the Soviet Empire in the economic arena; second, the magnetic pull of an open trading system will gradually detach parts of that empire; third, both those goals can be achieved with budget outlays that are a small fraction of the Pentagon's expenditure; but fourth, however, hard we try, and however much we spend, we will never regain a comfortable margin of military security against the possible misdeeds of the Soviet Union.

I believe that when the leaders of Europe, Japan, and the United States grasp these crucial facts, they will rediscover the political importance of a thriving world economy. They will embrace the vision of a great industrial free trade area, with free movement of people and capital, and coordinated economic policies. But the way will not be easy.

In his 1980 address to Georgetown University, Marcus Wallenberg spoke on the need of statesmanship in government and in business. I will close with his wise advice:

We need new Trumans, new Marshalls, new Adenauers, and new Monnets to recreate the right environment for new Fords, new Andersens, new Rothschilds, and new Morgans, who will see the opportunities and create the new resources we need to cope with our domestic and our global problems.

Thank you.●

THE 1985 MAN OF CONSCIENCE AWARD

● Mr. D'AMATO. Mr. President, I rise today to call attention of my colleagues to the annual award dinner of the Appeal of Conscience Foundation honoring Giovanni Agnelli that took place on October 15 at the Pierre Hotel in New York City. My distinguished colleagues, Senators LUGAR and KENNEDY, spoke at this dinner to celebrate the occasion of Giovanni Agnelli's receiving the 1985 Appeal of Conscience Foundation's Man of Conscience Award for his life-long effort to improve the human condition—and to advance the cause for human rights, social justice, international cooperation, and peace worldwide.

Celebrating its 20th anniversary, the Appeal of Conscience Foundation continues to work diligently to promote human rights and human dignity. This foundation has supplemented efforts of the United Nations, and has consistently assisted in the reduction of those tensions which have so often led to suspicion, hatred, and war.

As president of the Appeal of Conscience Foundation, Rabbi Arthur Schneier presented Giovanni Agnelli with the 1985 Man of Conscience Award and addressed the capacity-filled grand ballroom of the Pierre Hotel. His words echoed through the open doors, and into the streets. Speaking not only for those in attendance, but for all the world to hear, Rabbi Schneier paid tribute to a man, Giovanni Agnelli, who represents the undying quest for freedom and peace worldwide that all nations must pursue.

Mr. President, I ask that Rabbi Arthur Schneier's address be printed in the RECORD in its entirety at the conclusion of my remarks.

The address follows:

ADDRESS AND PRESENTATION TO GIOVANNI AGNELLI FOR THE APPEAL OF CONSCIENCE FOUNDATION ANNUAL AWARD DINNER

Address by Arthur Schneier, President, Appeal of Conscience Foundation

This year we extend Columbus Day with Agnelli Day. My dear friend and past recipient of the Appeal of Conscience Award Coretta King has had the experience of having a day declared for Martin Luther King. It is not easy to add a National Holiday. We, at the Appeal of Conscience Foundation, are delighted to proclaim henceforth Giovanni Agnelli Day following Columbus Day.

It is Providential that we honor Italy's foremost citizen with the Man of Conscience Award tonight.

The management of terrorism has preoccupied U.S.-Italian relations these last few days. Governments make mistakes and leaders may blunder but the friendship between people endures. It is significant that we honor Giovanni Agnelli, who has devoted his life to strengthening the bonds between Italy and the United States. Tonight, through him, we reaffirm the ties between our two nations and note with great pride the enormous contributions of the Italian community to America.

We are also gratified to observe the Twentieth Anniversary of the Appeal of Conscience Foundation. It is encouraging to see this Grand Ballroom filled to capacity with men and women representing different races, religions, nationalities, ideological and political persuasions.

All of us are aware of the need to live together and strive together to assure the survival of humanity. There is the realization that we either swim or sink together. We heard this evening from Mayor Ed Koch, Senator Lugar, and we will be hearing from Senator Kennedy. These political leaders are with us to stress the importance of conscience in world affairs. I would like to use a Biblical frame of reference. The first fratricide quoted in the Bible between Cain and Abel has an important lesson for all of us. When God questioned Cain about his brother, he replied: "I know not, am I my brother's keeper." (Genesis IV:9). The credo of the Appeal of Conscience Foundation—we are our brothers' keeper when it comes to defending religious freedom and human rights. Another lesson from the Bible—God questioned Adam why he ate the Forbidden Fruit. He offered an alibi. It was Eve my wife—the woman you created, she made me do it. And when God turned to Eve she blamed it on the serpent. It is human nature to find excuses and alibis. We affirm tonight—there cannot be nor do we accept any excuses when it comes to assuming responsibility for justice and human dignity. We reaffirm the principle that we are all responsible for one another. This is the principle of collective responsibility that has guided Giovanni Agnelli in his business, career and public life. As head of FIAT he presides over not only the destiny of an industrial giant of 400 companies but also fulfills his responsibility with compassion and concern for the world and humanity. He is a citizen of Italy but acts as a citizen of the world with a global and not fragmented view—he looks at humanity as a whole, and is determined to better the human condition.

Giovanni Agnelli lost his father at the age of 14 and his grandfather, Senator Giovanni Agnelli the founder of FIAT, became his guardian, and mentor who molded and shaped the views and philosophy of his grandson. From his grandfather he inherited much more than an industrial enterprise but a value system that has freedom, liberalisim and a love for humanity at its core. These values motivated Giovanni Agnelli to join the Allies Armed Forces Forth Army in the Campaign for the liberation of Italy and was awarded the Italian Cross. He and his gifted wife Marella, are patrons of the arts

and culture. They have two children, Edoardo and Magherita.

The word Agnelli means lamb—a symbol of peace. The Agnelli headquarters remains in the City of Turin. Its symbol torro—the bull—represents power and strength. Giovanni Agnelli uses his industrial power to advance the cause of peace, human dignity, social justice and international cooperation. This is why we are happy to salute him as a "Man of Conscience" who in all his endeavors has not lost sight of the human dimension.

It is a great pleasure for me to present you, Mr. Agnelli, with this Steuben Crystal Star with the inscription: "More things are wrought by prayer than this world dreams of."

May God give you and your wonderful family health and happiness to go from strength to strength.●

NICARAGUA

● Mr. SIMON. Mr. President, Tom Wicker frequently has thoughtful, perceptive articles in the New York Times.

That is certainly true of one he wrote recently commenting on the Nicaragua situation.

I have been one of those who has consistently opposed aid to the Contras. I am proud of that stand.

But the Sandinistas seem to go out of their way to make it difficult for those of us who believe that the United States should not be in the business of trying to overthrow governments in other countries.

Tom Wicker's column basically says that the policy of the United States is wrong, and the policy of the Government of Nicaragua is wrong.

I agree with both of those assumptions.

I urge my colleagues to read the Tom Wicker column, and I ask that it be printed in the RECORD.

The article follows:

(By Tom Wicker)

THE WORST ENEMY

Those Americans who consider it illicit and unwarranted for the U.S. to intervene militarily in the affairs of Central American nations have a heavy burden to bear in Nicaragua's Sandinista Government. Its heavy-handed suspension of civil liberties has made that burden much harder to bear.

The Sandinista Government is admittedly Marxist and closely allied with Cuba and the Soviet Union. But Nicaragua is a weak and impoverished country that poses no discernible threat to the U.S. other than in President Reagan's nightmares. Its threat, if any, to other nations in Central America—certainly to the Panama Canal—could be countered easily by U.S. military assistance and guarantees.

Since the Sandinistas came to power, Nicaragua has not been a democracy—nor was it ever, except cosmetically, under the autocratic and sometimes despotic Somoza regime so long supported by the U.S. Human rights abuses chargeable to the Sandinistas are in no way comparable to those the Somoza regime perpetrated, or to those of South Africa; and they are surely no worse than those under other governments the U.S. has found acceptable—South Korea, for instance, or Chile or the Philippines.

Nonetheless, the Reagan Administration has maintained (and there is some evidence to suggest it created) a military insurgency (the so-called contras), heavily tainted with old Somocistas, that operates from sanctuaries in Honduras across the border into Nicaragua. All but openly, the Administration has conceded that its aim is to overthrow, or at least to "change the form" of, the Sandinista Government—which it pictures not only as a threat to its neighbors but whose purpose is to extend Marxist revolution and Soviet power north to the Rio Grande.

It is this overwrought attitude and the Administration's resulting attempt to overthrow a Government it does not like that many Americans, and most Latin American nations, have strongly opposed. Most do not admire the Sandinistas or the regime they have created; but they deplore this new example of lawless U.S. intervention in a region where gringo dominance backed by military muscle has often been detrimental to the well-being of the region's people.

The Sandinistas have sought occasionally to build up this kind of internal and international dissent against Reagan Administration interventionism. But more often they have seemed to go out of their way to lend plausibility to Administration charges against their regime. For example:

When they held national elections, they insisted on doing so under rules that caused the major opposition parties to withdraw. Thus, the Sandinistas not only made themselves appear afraid to test their strength; when they won, as assured by their own rules, they failed to prove the kind of popular support many observers believed they really had.

Just when Congress had rebelled and defeated Mr. Reagan's request for further aid to the contras, President Daniel Ortega Saavedra imprudently flew off to Moscow, dramatizing Sandinista links to the Communist world. Congress immediately reversed itself and reopened the aid pipeline to the insurgents. That may say much about U.S. politicians' fear of being thought "soft on Communism"; nevertheless, Mr. Ortega's ill-timed trip rescued Mr. Reagan's Nicaraguan policy just when it had encountered deep trouble.

Now the Sandinistas, in an apparent victory for their hardest-line faction, have suspended civil liberties to an extent not before seen during their regime. Mr. Ortega's decree said this step was necessary because of "the brutal aggression by North America" and the contras. So, to some extent, it may have been; but the decree in fact lends substance to Mr. Reagan's charges that the Sandinistas systematically abuse human and civil rights. Therefore, the decree will further diminish U.S. and international opposition to his determined campaign against them.

If the new restrictions are strictly enforced, moreover, they will put an effective end to the political liberty that has remained surprisingly vigorous in Nicaragua; that can only drive more internal *political* critics of the Sandinistas into the military insurgency against them.

Thus, if Ronald Reagan is not, the Sandinistas surely are their own worst enemy. Under this pressure, they needed to prove to the world that they were not the repressive dictators he said they were; instead, they seem almost determined to fit his description.●

VLADIMIR BRODSKY AND ROALD ZELICHONOK

● Mr. BINGAMAN. Mr. President, I rise today to take part in the ongoing effort organized by the distinguished Senator from Minnesota, Senator BOSCHWITZ, to use this forum to remind the world of the human rights abuses perpetrated by the Soviet Union.

I would like to talk about a couple of individuals whose plight is not well known in this country. They are Vladimir Brodsky and Roald Zelichonok. Both were sentenced in August to 3 years in Soviet labor camps on trumped up charges.

During my visit to the Soviet Union in August, I had the chance to meet with the wives of both of these men. I met Vladimir's wife Dina by chance outside Moscow's only synagogue. She was expecting their first child and pleaded to me to raise her husband's case with Soviet officials and to request clemency for him. Vladimir was then on a hunger strike as he awaited trial for the offense of "hooliganism." His real crime, however, was that he has been a peace activist, who has visibly campaigned for reductions in the Soviet and American arsenals.

I did appeal to the Soviet Ministry of Foreign Affairs on Mr. Brodsky's behalf. The only response I ever received came in the Washington Post. A few days after my return to the United States, I read that Mr. Brodsky had been sentenced on August 15. He continued his hunger strike and eventually after losing 40 pounds, Soviet prison officials began to force-feed him. I am concerned about his well-being as he faces the remainder of his term in a labor camp. His fasting has aggravated his ulcer and generally weakened him. His wife will face the hardship of raising their child, who must be due any day, alone.

The plight of Roald Zelichonok is quite similar to that of Vladimir Brodsky. Roald is a mainstream, well-respected refusenik who resided with his wife Galina in Leningrad. He was convicted on the charge of slandering the Soviet state and its social system. His real crime was his involvement in the promotion of Jewish culture. He was arrested and tried as a warning to others that such involvement will not be tolerated by the Soviet security authorities. His physical condition is very poor. Yet, he has already endured solitary confinement and has been denied all medical treatment and medicine, even vitamins. There are doubts that he will survive his 3 years at the labor camp. His wife Galina periodically has had all mail cut off and has been harassed in various other ways. I met her in Leningrad the day after her husband had been sentenced. She herself is an invalid, who is very nearly blind. I was impressed with her

strength in the face of the adversity which the Soviet security services had imposed upon her and Roald.

Mr. President, these are people whose problems cry out for justice. It is truly amazing that the Soviet Government feels it must repress Jewish culture and peace activism in a small segment of its society. How can these individuals constitute such a threat to that Government that they must be confined to labor camps? Are the beliefs they hold or the ideas they espouse so frightening to the Soviet Government and Soviet Communist Party? If so, why not allow these people to emigrate to countries where such beliefs are not only tolerated, but welcomed? It is tragic that the Soviet Government will not accept the challenge of building a society which tolerates dissent. The proliferation of cases such as these only does further damage to relations between the Soviet Union and the West. Some day there must be a reversal in the trend.

Perhaps, we have seen a glimmer of such a reversal this week in the news of Mrs. Elena Bonner's permission to leave for medical treatment in the West and of Mrs. Irina Grivnina's arrival with her family in Amsterdam. These are very small steps and may simply be related to improving the atmosphere leading up to the summit and, in the case of Mrs. Grivnina, to the Dutch decision on whether to go ahead with cruise missile deployment.

We will only be able to tell in the weeks and months to come whether these cases do signal a turning point in Soviet human rights policy. If this week's events are followed by such actions as the release and emigration of prisoners of conscience like Yuriy Orlov and their families, the emigration of long-term refuseniks like Dr. Alexander Lerner and Dr. Alexander Ioffe and their families, and the cessation of punitive actions against potential emigrants and those trying to preserve Jewish culture, then a very heavy weight will be lifted from United States-Soviet relations and the prospects for progress in other areas of the relations and the prospects for progress in other areas of the relationship would be enhanced. I sincerely hope that we will see such a change in course, and that the Vladimir Brodskys and Roald Zelichonoks of the Soviet Union will be given their freedom.

Until there is clear evidence of such a change, we must continue to impress upon Soviet officials at every opportunity our revulsion toward Soviet human rights abuses. The President will speak for this entire body when he raises this issue with Mr. Gorbachev 3 weeks hence at the summit. We all hope Mr. Gorbachev will have the vision to respond positively to the President's and our call for change.●

TRIBUTE TO LOUIS RICCI OF CHICAGO

● Mr. SIMON. Mr. President, I rise today to pay tribute to a fellow citizen of my home State of Illinois: Mr. Louis Ricci. This year, Mr. Ricci will retire after serving for 28 years as the band director of St. Rita High School.

For more than a quarter of a century, Mr. Ricci has taught his band members the discipline, dedication, and teamwork necessary for a successful performance. This Thursday evening his former students are demonstrating their appreciation to this remarkable man with a celebration in his honor.

Over the years, the bands of St. Rita High School have won several awards. In 1963, they served as honor band for President Kennedy during his visit to Chicago. They performed before halftime crowds at countless Chicago Bear football games, as well as DePaul, Loyola, and Notre Dame football and basketball contests. In 1983, the St. Rita band was crowned the champion of Chicago's annual Music Bowl competition.

But St. Rita bands have been known for much more than their proud list of achievements. Mr. Ricci instilled in his students a sense of family. He taught then that the skills they learned as good band members would serve them for a lifetime. Hard work, practice, and striving toward a common goal are all elements of any successful career, and Mr. Ricci's musicians learned these lessons well.

Since 1957, The Marching Mustang Band has entertained loyal crowds with everything from Gershwin ballads to the marches of Souza. And through them all, Lou Ricci has been the strong voice in front of these hopeful young people. Shakespeare once wrote, "If music be the food of love, play on." Play on St. Rita and Lou Ricci. You have enriched the lives of thousands and you deserve our thanks and recognition on this special evening.●

GREECE ACTS ON UNITED STATES TIP—ARRESTS SUSPECTED SPIES

● Mr. SIMON. Mr. President, some people in this country have questioned the position of the Government of Greece on a number of important issues. It is useful to note for the record that Greece has recently taken steps against terrorists and against spies which are helpful to the United States. These steps should be commended.

The Washington Post reported September 19 that "two Greek electronics experts were charged today with spying for the Soviet Union," and "a Greek naval officer has been arrested on suspicion of spying for a foreign power." The Post quotes Greek news reports which state that Washington had given Athens new information about Soviet espionage, and that Athens authorities had acted on the tips and caught the suspected spies. Also, the Greek Government has subsequently summoned the Soviet chargé d'affaires to Athens in order to lodge a formal protest with the Soviet Union.

This is not the first time in recent months that Greece has acted cooperatively with the United States. This summer, Prime Minister Papandreou sent Greece's top antiterrorists experts to the United States for meetings and cooperative work with America's top antiterrorist experts. Together, the two nations are concerned about terrorists and spies and share information necessary to apprehend them. This is in our best interest and in the interest of the Government of Greece, and I commend the Greek Government for these welcome steps.

I ask that two articles from the Washington Post, "Greece Charges Three as Spies After U.S. Tip," and "Athens Protests Spying," be printed in the RECORD.

The articles follow:

[From the Washington Post, Sept. 19, 1985]

GREECE CHARGES THREE AS SPIES AFTER U.S. TIP

ATHENS, September 18.—Two Greek electronics experts were charged today with spying for the Soviet Union, and the government confirmed that a Greek naval officer had been arrested on suspicion of spying for a foreign power.

Alternate Defense Minister Antonis Drosoyannis, who announced the officer's arrest, did not specifically name the Soviet Union as the nation that had received the information, but he did say the affair was linked with a Soviet diplomat who defected to the United States four months ago.

Greek news reports said Washington had given Athens new information about Soviet espionage since the defection of Sergei Bokhane. Press reports have said that Bokhane was the second-ranking officer in the KGB intelligence branch of the Soviet Embassy here.

Police Minister Athanasios Tsouras named the two electronics experts as Michael Megalokonomos, 37, and businessman Nikos Pipitsoulis, also 37.

Drosoyannis identified the arrested officer as a lieutenant commander who until recently had worked in the data processing unit at Greece's defense headquarters. He told reporters that the officer had access to information about Greek defense but not to sensitive NATO data.

Tsouras said Megalokonomos had worked for ITT, then for the Hewlett-Packard company and then for a subsidiary of ITT called Standard Electric Hellas.

At the prosecutor's office, Megalokonomos denied charges that he had sold information to Moscow.

Pipitsoulis' said he had sold an electrical device to Soviet officials for $43,000 but said he saw nothing wrong in what he considered a normal commercial arrangement.

Tsouras said Megalokonomos had been found to possess spying equipment such as codebooks, a microfilm reading device, a

radio for picking up special frequencies and instructions on how to work a radio transmitter.

[From the Washington Post, Sept 20, 1985]

ATHENS PROTESTS SPYING

ATHENS. The government formally protested alleged Soviet espionage after two electronic experts and a naval officer were arrested and charged with selling defense secrets and computer equipment to Soviet diplomats, a Foreign Ministry spokesman said.

The spokesman, Costas Laliotis, told Greek reporters that Vladimir Pushkin, the Soviet charge d'affaires, was summoned to the Foreign Ministry Wednesday night.

Laliotis did not say whether the government planned to expel any Soviet diplomats.●

ALTERNATIVE DISPUTE RESOLUTION

● Mr. McCONNELL. Mr. President, the problem faced by corporations large and small in this country of dealing with the ever increasing burdens of civil litigation are immense. The last quarter of a century has seen dramatic changes in the laws and regulations affecting the rights and obligations of one corporation to another, as well as a dramatic expansion in the basis for recovery in actions ranging from product liability, securities regulations, shareholders disputes, and others that were unknown or uncommon in the not too distant past. It is anyone's guess what the next 25 years will bring, but one thing we can be sure of is that it will involve the courts, the legal system, and an incredible amount of the resources and energy of this nation's businesses.

Indeed, few corporations have been unaffected by the change in the legal community. But where once law firms were large when they had 50 to 75 lawyers, now the 200- and 300-lawyer law firms are common. Needless to say, the number of paralegals, law clerks and support staff employed by these law firms is tremendous. And to a large extent, this vast array of people, knowledge, and technology is devoted to the process of corporate battle in the Nation's courtrooms, with thousands of man hours and millions of dollars devoted to a single case.

Indeed, the number of lawsuits filed in our Nations courts has more than doubled since 1975. More importantly, or more notably, the number of complex cases has gone up many times greater, and the expense of these complex cases is enormous.

What is equally enormous, but probably unquantifiable, is the incredible drain on productivity that these cases represent. Lawyers spend large segments of their careers on a single case, and the worse cases, corporations can be nearly consumed by the defense or prosecution of the major, complex case at hand. While no one knows the extent of lost productivity, everyone knows that in such cases, high level managers, top level executives, and mid to lower level staff can spend days and weeks in depositions, going through the most routine and mundane aspects of their employment, examining countless documents, merely for the exercise of identifying them and the notations on them, and to reconstructing, to the extent humanly possible, the events of many years earlier—events that at the time seemed insignificant. The extent of time lost in these "discovery" proceedings is equalled only by the extent of time and energy lost in preparation for them.

Partly because of the explosion of such complex civil litigation, the workload of the U.S. courts of appeals and district courts has been burdened with thousands of additional cases. Despite the addition of a great many judges, Federal magistrates, and other support personnel, the courts generally find themselves straining under an enormous backlog of cases.

This situation resulted in hearings before the Subcommittee on Courts in the Senate Committee on the Judiciary in the 98th Congress. Among the items discussed in those hearings was the concept of alternatives to the civil litigation process. Perhaps the most promising of those alternatives is the notion of privately conducted alternative dispute resolution [ADR]. The concept of ADR encompasses a wide range of private practices, all of them designed to prevent, manage and resolve disputes in a more cost-effective manner than through the normal process of civil litigation. It is not, however, simply an arbitration procedure. Rather, ADR employs a business-oriented managerial approach to problem solving, along with reliance on top-level business executives to participate in fashioning a solution to legal problems that had previously been solved in a legal slugfest.

One of the most promising examples of the use of ADR in resolving civil disputes is the notion of the minitrial. The minitrial is a nonbinding settlement procedure structured to convert a legal dispute into a business matter. In essence, the civil litigation process that normally culminates in a trial is condensed into a much shorter and more manageable time frame. Rather than presenting the case to a judge and jury, the lawyers for either side, after agreeing on a set of ground rules, present their cases to the executives of the corporate principals, persons who have settlement authority on behalf of their companies. In addition, depending on the agreement reached between the parties, there may be a neutral participant, frequently a respected judge, lawyer, or businessman in the community involved, who assists in the evaluation of the evidence presented by both sides.

If, after the presentation of the evidence, the parties themselves are not able to settle the matter, the neutral participant may render an advisory opinion. Such an advisory opinion often acts as a catalyst toward settlement that might otherwise not have been possible, yet it has none of the binding affects of an arbitrators decision, nor none of the legal consequences of a judge's or jury's decision.

Perhaps the most remarkable aspect of the minitrial procedure is that the entire process, from presentation of the evidence to resolution of the dispute, frequently takes as little as 2 to 3 days. This, in contrast with the 3 weeks to 3 months that are not all uncommon when the matter is committed to the civil litigation process.

Mr. President, I believe that it is to the advantage of American businesses, American workers and Americans in general to encourage the use of alterntive dispute resolution techniques such as the minitrial. American business now knows that it must be more efficient to compete in the international market, and that when faced with a flood of imports from businesses that know few of the legal and regulatory disputes that are so common in this country, as well as businesses that are to one extent or another subsidized by their home governments, there is no room in the present business climate for useless, counterproductive litigation when the matters can in so many instances be resolved quickly and sensibly by the managers themselves. ADR is a concept whose time has come, and one the merits of which are being recognized by business and lawyers alike throughout this country. The Center For Public Resources [CPR] in New York City is a coalition of general counsels of major corporations, leading law firms and prominent academic organizations. That group has developed a legal program to encourage and assist in the use of alternatives to high cost litigation. CPR, founded in 1979, is one of the leading proponents of methods to resolve major corporate disputes in a pragmatic and economical matter, outside the courtroom.

Indeed, through the guidance of the CPR, more than 140 corporations have signed a formal policy known as the ADR corporate statement. In so doing, the chief executive officers and general counsel from these companies have declared that they would explore the use of ADR or earlier settlement talks before pursuing full-scale litigation with another company that has already signed the statement. In addition, the National Association of Manufacturers has supported this policy. By subscribing to this policy, because each side recognizes that an initial settlement offer is merely a pragmatic, exercise, not a submissive one, each

litigant overcomes the perception that naturally follows from an early settlement offer that its case is weak.

Naturally, the use of ADR minitrials is voluntary, since in criminal as well as in civil litigation the litigants have a constitutional right to a trial in a court of law. Nevertheless, there are numerous ways in which the Government can and should encourage the use of ADR. For instance, a great deal of commercial and civil litigation occurs within the context of Federal contracts, and the Justice Department and various litigating entities within the Federal Government can build incentives for the use ADR into their procurement codes and litigation strategies. Recently, for example, the Army Corps of Engineers had a very successful experience with the use of ADR. In September of this year, following the completion of a major piece of litigation through minitrials, the office of the chief counsel of the Corps produced and circulated to each of its offices an engineer circular entitled "Alternative Dispute Resolution: Minitrials." In connection to that circular, the Corps of Engineers has prepared a sample agreement for use between the Corps and the appellant in a construction claim. Mr. President, I ask that the sample agreement provided by the Corps be printed in its entirety in the RECORD at the completion of my remarks.

The Justice Department has been conducting a pilot program designed to determine the extent to which ADR can be successfully used in Government contract litigation. The civil division has more than 400 lawyers doing one form of Government contract work, including its tort work and procurement cases. In addition, each of the executive agencies has thousands of lawyers who are involved in litigation, and I'm convinced that the use of ADR in Government contract cases would be a significant step toward shortening the time involved in completing cases, and ultimately increasing productivity of our Nation's industry. Very shortly, I will be introducing legislation designed to provide incentives for the use of ADR in Government contract cases. In the meantime, I will be considering additional ways to encourage the use of ADR in purely private litigation, and may have legislative proposals designed to effect significantly greater progress in that area as well.

We all benefit by increasing the efficiency of our Nation's industries, and by allowing business to devote more of its resources to productive use, and less toward fueling the engines of litigation, engines that turn at a furious pace but go nowhere. I encourage my colleagues to join with me as we consider new ways to meet that goal.

The sample agreement follows:

[Appendix A]

MINI-TRIAL AGREEMENT BETWEEN THE UNITED STATES ARMY CORPS OF ENGINEERS AND APPELLANT

This mini-trial agreement dated this —— day of ——, 19—— is executed by ———, Division Engineer, United States Army Corps of Engineers on behalf of the Corps, and by ———, on behalf of ——— hereinafter referred to as ———.

Whereas: On the —— day of ——, 19——, the parties hereto entered into Contract No. ——— for the ———;

Whereas, under the Disputes Clause (General Provision No. 4) of that contract, Appellant on ——— ——, 19—— filed a claim with the contracting officer alleging ———;

Whereas, Appellant certified its claim in accordance with the requirements of the Contract Disputes Act of 1978;

Whereas, in a letter dated ——— ——, 19—— the contracting officer issued a final decision denying appellant's claim;

Whereas, on ——— ——, 19—— Appellant appealed the contracting officer's final decision to the ——— Board of Contract Appeals where the appeal has been docketed as (ASBCA) (ENG BCA) No. ——;

Whereas, the Corps has instituted an Alternative Contract Disputes Resolution Procedure known as a "Mini-Trial", which procedure provides the parties with a voluntary means of attempting to resolve disputes without the necessity of a lengthy and costly proceeding before a Board of Contract Appeals nor prejudicing such proceeding; and

Whereas, the Corps and Appellant have agreed to submit (ASBCA) (ENG BCA) No. —— to a "Mini-Trial".

Now therefore, subject to the terms and conditions of this "Mini-Trial" agreement, the parties mutually agree as follows:

1. The Corps and Appellant will voluntarily engage in a non-binding mini-trial on the issue of ———.

The mini-trial will be held on ——— ——, 19—— at ———.

2. The purpose of this mini-trial is to inform the principal participants of the position of each party on the claim and the underlying bases of such. It is agreed that each party will have the opportunity and responsibility to present its "best case" on entitlement and quantum.

3. The principal participants for the purpose of this mini-trial will be ——— for the Corps, and ——— for appellant. The principal participants have the authority to settle the dispute. Each party will present its position to the principal participants through a trial attorney(s). In addition, ——— will attend as a mutually selected "neutral advisor".

4. The role of the neutral advisor is that of an advisor. The neutral advisor will not be actively involved in the conduct of the mini-trial proceedings. The neutral advisor may ask questions of witnesses only if mutually agreed to by the principal participants. Upon request by either principal the neutral advisor will provide comments as to the relative strengths and weaknesses of that party's position.

5. The Government trial attorney will provide the neutral advisor with copies of this agreement and the Rule 4 appeal assembly. Other source materials, statements, exhibits and depositions may be provided to the neutral advisor by the trial attorneys, but only after providing the same materials to the other trial attorney. Neither trial attorney shall conduct ex parte communications with the neutral advisor.

6. The fees and expenses of the neutral advisor shall be borne equally by both parties. Except for the costs of the neutral advisor, all costs incurred by either party in connection with the mini-trial proceedings shall be borne by that party, and shall not be treated as legal costs for apportionment in the event that the dispute is not resolved, and proceeds to a Court or Board determination.

7. Unless completed prior to the execution of this agreement, the parties will enter into a stipulation setting forth a schedule for discovery to be taken and completed —— weeks prior to the mini-trial. Discovery taken during the period prior to the mini-trial shall be admissible for all purposes in this litigation, including any subsequent hearing before any Board of competent authority in the event this mini-trial does not result in a resolution of this appeal. It is agreed that the pursuit of discovery during the period prior to the mini-trial shall not restrict either party's ability to take additional discovery at a later date. In particular, it is understood and agreed that partial depositions may be necessary to prepare for the mini-trial. If this matter is not resolved informally as a result of this procedure, more complete depositions of the same individuals may be necessary. In such case the partial depositions taken during this interim period shall in no way foreclose additional depositions of the same individual into the same or additional subject matter for a later hearing date before a Court or Board.

8. No later then —— weeks prior to commencement of the mini-trial, ——— shall submit to the Corps a quantum analysis which identifies the costs associated with the issues that will arise during the mini-trial.

9. The presentations at the mini-trial will be informal. The rules of evidence will not apply, and witnesses may provide testimony in the narrative. The principal participants may ask any question of the witnesses that they deem appropriate. However, any such questioning by the principals shall be within the time period allowed for that party's presentation of its case as hereinafter delineated in paragraph 10.

10. At the mini-trial proceeding, the trial attorneys have the discretion to structure its presentation as desired. The form of presentation may be through expert witnesses, audio visual aids, demonstrative evidence, depositions and oral argument. The parties agree that stipulations will be utilized to the maximum extent possible. Any complete or partial depositions taken in connection with the litigation in general, or in contemplation of the mini-trial proceedings, may be introduced at the mini-trial as information to assist the principal participants understanding of the various aspects of the parties' respective positions. The parties may use any type of written material which will further the progress of the mini-trial. The parties may, if desired, no later than —— weeks prior to commencement of the mini-trial, submit to the representatives for the opposing side, as well as the neutral advisor, a position paper of no more than 25 8½ x 11 double spaced pages. No later than —— week(s) prior to commencement of the proceedings, the parties will exchange copies of all documentary evidence proposed for utilization at the mini-trial, inclusive of a listing of all witnesses.

11. The mini-trial proceedings shall take —— day(s). The morning's proceedings shall

begin at —— a.m. and shall continue until —— a.m. The afternoon's proceedings shall begin at —— p.m. and continue until —— p.m. (A sample two day schedule follows:)

Schedule

Day 1	
8:30 a.m.-12:00 Noon	Appellant's position and case presentation.
12:00 Noon-1:00 p.m.	Lunch.[1]
1:00 p.m.-2:30 p.m.	Corps' cross-examination.
2:30 p.m.-4:00 p.m.	Appellant's re-examination.
4:00 p.m.-5:00 p.m.	Open question and answer period.
Day 2	
8:30 a.m.-12:00 Noon	Corps' position and case presentation.
12:00 Noon-1:00 p.m.	Lunch.[1]
1:00 p.m.-2:30 p.m.	Appellant's cross-examination.
2:30 p.m.-3:00 p.m.	Corps' re-examination.
3:00 p.m.-4:30 p.m.	Open question and answer period.
4:30 p.m.-4:45 p.m.	Appellant's closing argument.
4:45 p.m.-5:00 p.m.	Corps' closing argument.

[1] Flexible time period for lunch of a stated duration.

11. Within —— day(s) following the termination of the mini-trial proceedings, the principal participants should meet, or confer, as often as they shall mutually agree might be productive for resolution of the dispute. If the parties are unable to resolve the dispute within —— days following completion of the mini-trial, the mini-trial process shall be deemed terminated and the litigation will continue.

12. No transcript or recording shall be made of the mini-trial proceedings. Except for discovery undertaken in connection with this appeal, all aspects of the mini-trial including, without limitation, all written material prepared specifically for utilization at the mini-trial, or oral presentations made, between or among the parties and/or the advisor at the mini-trial are confidential to all persons, and are inadmissible as evidence, whether or not for purposes of impeachment, in any pending or future Court or Board action which directly or indirectly involves the parties and this matter in dispute. However, if settlement is reached as a result of the mini-trial, any and all information prepared for, and presented at the proceedings may be used to justify and document the subsequent settlement modification. Furthermore, evidence that is otherwise admissible shall not be rendered inadmissible as a result of its use at the mini-trial.

13. The neutral advisor will be instructed to treat the subject matter of this proceeding as confidential, and refrain from disclosing any of the information exchanged to third parties. The neutral advisor is disqualified as a witness, consultant or expert for either party in this and any other dispute between the parties arising out of performance of Contract No. ————.

14. Each party has the right to terminate the mini-trial at any time for any reason whatsoever.

15. Upon execution of this mini-trial agreement, if mutually deemed advisable by the parties, the Corps and Appellant shall file a joint motion to suspend proceedings of thsi appeal before the ———— Board of Contract Appeals. The motion shall advise the Board that the suspension is for the purpose of conducting a mini-trial. The Board will be advised as to the time schedule established for completing the mini-trial proceedings.

Dated	Dated
By:	By:
Principal participant for Corps	Principal participant for Appellant
Attorney for the Corps	Attorney for Appellant

Note: This agreement reflects a mini-trial which involves a neutral advisor. In the event a neutral advisor is not used, you should eliminate all references to the neutral advisor.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, October 29, 1985.

In reply refer to: I-15502/85.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-07 and under separate cover the classified annex thereto. This notification replaces Transmittal No. 85-45 (advance Transmittal No. 85-BT, dated 3 July 1985, still applies) and concerns the Department of the Army's proposed Letter of Offer to Korea for defense articles and services estimated to cost $61 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 86-07]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(6) OF ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Korea.

(ii) Total estimated value:

	Million
Major defense equipment	0
Other	$61
Total	61

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Modification kits for 28 Battery Sets of the HAWK Product Improvement Program (PIP) PHASE II, concurrent spare parts, training, and services to install the kits.

(iv) Military department: Army (XUM).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid:

(vi) Sensitivity of technology contained in the defense articles of defense services proposed to be sold: See annex under separate cover.

(vii) Section 28 report: Included in report for quarter ending 31 March 1985.

(viii) Date report delivered to Congress: October 29, 1985.

POLICY JUSTIFICATION

KOREA—MODIFICATION KITS

The Government of Korea has requested the purchase of modification kits for 28 Battery Sets of the HAWK Product Improvement Program (PIP) PHASE II, concurrent spare parts, training, and services to install the kits. The estimated cost is $61 million.

This sale will contribute to the foreign policy objectives of the United States by helping to improve the security of a key friendly country in Eastern Asia. The sale of this equipment and support will enhance deterrence and contribute to the preservation of peace and stability on the Korean peninsula.

The product improvement program modification kits proposed in this sale will upgrade the I-HAWK batteries used in the Republic of Korea (ROK) for air defense. Since the North Korean Air Force enjoys more than a 2:1 numerical advantage in combat aircraft, this sale is vital to offset this quantitative disadvantage. Korea will have no difficulty absorbing these modification kits into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Raytheon Corporation of Andover, Massachusetts.

Implementation of this sale will not require assignment of any additional U.S. Government personnel; however, 25 contractor representatives will be required for 24 months in Korea.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

FOR ACCOUNTABILITY IN POLITICAL ADS

● Mr. DANFORTH. Mr. President, the Senate Commerce Committee has begun a series of hearings on S. 1310, the Clean Campaign Act of 1985. This bill is a reflection of the deep concern that the cosponsors and I have about the lack of accountability and balance in modern political campaigns.

At our first hearing we were fortunate to have Charles Guggenheim, a noted political consultant and film producer, among the witnesses. Mr. Guggenheim's testimony was very thought-provoking and valuable to our committee's deliberations, and I am pleased to see that his views have been given wider circulation in an op-ed piece that appeared in the New York Times on October 15.

Mr. President, I recommend Charles Guggenheim's article to my col-

leagues, and I ask that it be printed in the RECORD.

The article follows:

FOR ACCOUNTABILITY IN POLITICAL ADS

(By Charles Guggenheim)

WASHINGTON.—Every year at this time, I used to look forward to the political season just as I look forward to the World Series and the symphony opening. Thank goodness for baseball and good music. American political campaigning is sick.

In the last 10 years, Americans have been forced to endure an epidemic of negative political advertising. Visual and audible manipulation abounds. Every tool of the advertising craft has been exercised to prove opponents lazy, dishonest, unpatriotic, dumb, cruel, unfeeling, unfaithful and even criminal. It takes so little skill to condemn someone on radio and television commercials that there has been a proliferation of media consultants—many carrying their wares from one state to another. Only the names of the commercials need to be changed.

As one who has been involved as a media consultant in more than 100 elections, I do not disparage everything that has taken place since the advent of paid television in politics. There have been some fine moments. Paid political announcements have made it possible for a new breed of independent candidates to enter public life. The smoke-filled room has all but disappeared as paid television has replaced it as the forum for political choice. Party bosses have been moved to the back row. Handpicked candidates have become and endangered species. The sins of McCarthyism, Watergate and Vietnam have far less chance of returning, knowing they face trial in the living rooms of America.

My concern is not that we have replaced one group of influence makers with another but that in making this change we have created a system of political campaigning that is eroding the dignity of the election process.

Up to 70 percent of what Americans hear and see in a political campaign today comes via 30- and 60-second paid political announcements. In 1984, candidates paid the broadcast industry more than $300 million for the privilege of discussing the issues in 60 seconds or less.

Ask any seasoned media adviser and he will tell you what he can do best given 30 seconds. Create doubt. Build fear. Exploit anxiety. Hit and run. The 30- and 60-second commercials are ready-made for the innuendo and half-truth. Because if their brevity, the audience forgives their failure to qualify, to explain, to defend.

There is another reason why our campaigns are becoming increasingly mean: the use of anonymous surrogates to deliver negative advertising. Candidates themselves do not produce commercials. Candidates leave that task to their hired media directors, who are free to craft their 30-second inquisitions in the remote darkness of their editing rooms.

Having surrogates represent office seekers is not new. Abraham Lincoln never left Springfield during the Presidential campaign of 1860. Others did his campaigning for him. But today's surrogates are different. Faceless, they craft their messages in anonymity, delivering their accusations via actors, music, special effects and photography—all without fear of personal accountability either to themselves or to the candidates who hire them.

What can be done? Strip away the anonymity of negative political advertising. Put the face and voice of the accuser on the screen and you will move in the direction of decency for the American political process overnight. Insist, also, that paid political announcements be no fewer than two minutes in length—and you will see a dramatic change in the tone of the political dialogue in this country.

Political campaigning in America has never been free of rancor and unfairness. We should not attempt to purify the system, nor should we interfere in the public dialogue. But Government has an obligation to establish processes that do not encourage the demeaning of the political process.

In Britain, commercial broadcasters do not make the rules—a forum of British subjects does. In two British elections in which I took part, paid political broadcasts were confined to 10 minutes in length. Stations were required to provide prime time—free. No advocacy broadcasts could begin prior to three weeks before the election.

The British system may in some ways be too restrictive. But we have a lot to learn from it. The rules in Britain allow room for substance, give range to criticism, discourage unfairness. Equally important, the British provide something Americans seldom if ever do—more that 60 seconds for political advocacy in prime time.

There are many complications, perhaps risks surrounding suggestions for reforming the present system. The First Amendment is a precious document and it should not be tinkered with. But we have already placed arbitrary restrictions on self-expression in this country by allowing the broadcast industry to set ground rules that frequently stifle substance and encourage specious attacks. The First Amendment was intended to protect individuals who wished to speak for themselves, not individuals who hire others to hide in the wings and speak for them.

By accepting the status quo, Government has not avoided interference in the democratic process. It has merely abdicated its responsibility to an arbitrary system that brings little distinction to the political process and the American people.●

THE 75TH ANNIVERSARY OF NEW JERSEY BLIND MEN'S ASSOCIATION

● Mr. BRADLEY. Mr. President, I am pleased to offer my congratulations to the New Jersey Blind Men's Association as they celebrate their 75th anniversary. This extraordinary organization has provided important services to over 300 blind New Jerseyans each year. Some of these services are obtainable through Camp Happiness. This unique camp began in 1915 and was the first program of its kind to offer free services for the blind. This camp provides an atmosphere where the participants can work together to find solutions to commonly shared problems. The Blind Men's Association has a strong tradition of providing quality education, social, legislative, recreational, administrative, and counseling services for blind adults throughout the State of New Jersey. It also has a fine vocational rehabilitation program which enables the blind to acquire needed skills that will help them be competitive in the job force. Its expanding vocational facility offers a transitional work program as well as an extended employment program.

This New Jersey association has exhibited unselfish dedication and service to the blind. I applaud the efforts of the association and I salute them on the occasion of their 75th anniversary.●

SOCIAL SECURITY DISINVESTMENT, PAST AND FUTURE

● Mr. MOYNIHAN. Mr. President, yesterday, I spoke in this Chamber about the financial implications of various forms of disinvestment of securities held in the Social Security trust funds—and there are several such forms—that the Treasury may be forced to in the event we do not promptly approve an increase in the debt ceiling. Today, more information has come to light regarding recently past Treasury disinvestments from the trust funds.

It appears that the Treasury did cash in considerable amounts of long-term bonds in September and October, to get sufficient cash to cover the Social Security checks mailed in those months: $7 billion in long-term securities were cashed in in September, and $4 billion more in October. This information comes from the Congressional Budget Office, based on the Treasury's monthly statements of the public debt, and has been confirmed by Harry Ballantyne, chief actuary of the Social Security Administration. The Treasury Department has not yet publicly explained these decisions, but has said that all such financing activities are undertaken to meet benefit payments.

As best as I can understand, these disinvestments began when Treasury found itself running into the debt limit, as early as September. To create room under the debt limit for the Treasury regular financing issue, the Department decided to not follow a procedure required under the 1983 amendments to the Social Security Act, called normalized tax transfers. Under this procedure, at the beginning of each month the Treasury is required to credit the trust funds with however much money the Treasury expects to collect from Social Security payroll taxes over the course of the month. This procedure was designed to improve the trust funds' cash flow situation, and usually these tax transfers are used to pay benefits. It appears that the Treasury did not undertake full normalized tax transfers in September and October, because to so do might have prevented the Department from meeting other Government obligations. In addition, it appears, the

moneys which Treasury did transfer in September and October under this procedure—which is not merely a practice, but a requirement of law—were not fully invested in interest-bearing Government securities, as also required under the Social Security Act. Treasury could not do so, it is maintained, because of the debt limit.

Because Treasury, then, did not carry out full normalized tax transfers, Social Security could not meet benefit payments without redeeming some of its securities for cash. And so, Treasury apparently redeemed about $7 billion in long-term bonds from the trust funds in September and another $4 billion in October.

Treasury has said that neither its inability to make full normalized tax transfers, nor its inability to fully invest such transfers, will adversely affect the trust funds, because the Social Security Act provides a special accounting device to offset any such effect. This device, it is said, allows the Treasury to keep its books as if full normalized tax transfers were made, fully invested, and earning interest. The statute, however, does not appear to specifically grant the Treasury this particular authority.

These Treasury decisions certainly followed from the Department's proper concerns that all benefits be paid, and on time, in September and October. And nearly as certainly, over a long term, such disinvestment could cost the trust funds considerable interest income. This long-term interest loss, the subject of my floor statement yesterday, will follow if the funds raised from cashing in long-term bonds from the trust fund portfolios must be later reinvested at a lower interest rate. In point of fact, we will not know the extent, if any, of these losses until next June 30, when all of Social Security's short-term assets are rolled over into long-term bonds. According to the analysis prepared by Chief Actuary Harry Ballantyne of the Social Security Administration, these losses could reach some $800 million over 15 years, based on the economic assumptions of the midsession review.

I ask that the full text of Mr. Ballantyne's memorandum be printed in the RECORD.

There are, then, many questions of significance to be examined and understood—and which I trust can be so done at the hearings to be held next Thursday by the Senate Finance Subcommittee on Social Security and Public Assistance:

First, should Congress be notified of any Treasury difficulties or inability to make full normalized tax transfers, or any Treasury decision to disinvest trust fund assets?

Second, is the Secretary of the Treasury, as managing trustee for the Social Security trust funds, authorized under any circumstances to not make normalized tax transfer payments?

Third, does the Treasury Department have the authority, under the normalized tax transfer process, to repay interest income lost to the trust funds, as a result of not making full normalized tax transfers or not fully investing such?

Surely, it is critical that an impartial estimate be made of how much long-term interest income could be lost to the Social Security trust funds as a result of disinvestment. This may be a role for the two public trustees of the system. Such an impartial estimate is necessary, so Congress can take action to protect the trust funds.

The memorandum follows:

MEMORANDUM

OCTOBER 30, 1985.

From: Harry C. Ballantyne, Chief Actuary, SSA.

Subject: Effect of Current Debt-Limit Problems on Interest Earnings of the Social Security Trust Funds—Information.

If the debt ceiling is not increased by November 1, the Treasury Department plans to alter its usual trust-fund disinvestment procedures so that OASDI benefits for October can be paid on that date. The unusual procedures will have both short-term and long-term effects on the interest earnings of the trust funds. The long-term effects, in particular, are extremely sensitive to the interest rate applicable to investments made in June 1986. This memorandum presents estimates on the basis of two sets of assumptions—the intermediate (alternative II-B) assumptions of the 1985 OASDI Trustees Report, and the assumptions used for the Mid-Session Review (MSR) of the President's 1986 Budget.

On November 1, Treasury intends to disinvest enough trust-fund assets to cover the entire amount of benefits payable in early November. This amount is about $13.5 billion for the OASI Trust Fund, and about $1.4 billion for the DI Trust Fund. After the disinvestment, the public debt will be about $14.9 billion below the debt ceiling, enabling Treasury then to borrow that amount on the open market to cover the benefit payments. The usual procedure would be to borrow the amount first and then disinvest trust-fund assets on three dates: the payment date (November 1), 4 business days after the payment date (November 7), and 5 business days after the payment date (November 8). The amounts of disinvestment on each date would be about $6.8 billion, $4.9 billion, and $3.2 billion, respectively. However, the usual procedure cannot be followed because borrowing before disinvestment would cause the debt limit to be exceeded. The disinvestment of the entire amount on November 1, rather than over the normal schedule, will result in a short-term interest loss of about $15 million to the OASI and DI Trust Funds.

The long-term effect, which is not so apparent, results from disinvesting securities with various interest rates and replacing them—after the debt-ceiling crisis has passed—with new securities at different rates. The uninvested balances will initially be reinvested in short-term certificates of indebtedness, but on June 30, 1986, these certificates will be "rolled over" into long-term bonds bearing a coupon rate determined by a formula in the Social Security Act. The yields on those bonds cannot be known at this time, but the rate assumed for purposes of estimating the future operations of the trust funds was 10.75 percent for alternative II-B, and 9.875 percent for the MSR. If the Treasury on November 1 were to follow its usual procedures regarding disinvestment—earliest maturities first, and lowest rates first within any year of maturity—then a large long-term interest loss would occur because about $3.5 billion in 13.75-percent bonds scheduled to mature during 1991-97 would be redeemed. The Treasury, however, has announced that a special procedure will be followed in order to mitigate the interest loss. Specifically, they will disinvest the securities with the lowest rates first—most of which are at 10.375 and 10.75 percent—without regard to maturity date. The following table shows the estimated effect on interest earnings, year by year, on the basis of the two sets of assumptions—alternative II-B and MSR. The table shows direct effects only and not the indirect effects resulting from interest lost or gained because of the direct change in interest eanings, i.e., "interest on interest."

EFFECT ON INTEREST EARNINGS OF THE OASI AND DI TRUST FUNDS

[In millions of dollars]

	Alternative II-B	Mid-session review
Year ending June 30:		
1987	43	−86
1988	43	−86
1989	43	−86
1990	43	−86
1991	43	−86
1992	42	−85
1993	40	−73
1994	35	−61
1995	24	−53
1996	17	−41
1997	15	−29
1998	13	−17
1999	10	−14
2000	8	−11
Total	421	−815

Note: Totals may not equal sums of rounded components.

Clearly, the estimated effects on interest are extremely sensitive to the interest rate assumed to be applicable to investments made in June 1986. The trust funds could incur a loss or realize a gain in the hundreds of millions or even billions of dollars. The Congress is currently considering an amendment to the bill raising the debt ceiling that would restore the trust funds to the position in which they would have been in the absence of debt-limit problems. We are not certain that this amendment would apply to the long-term issue just described, however.

HARRY C. BALLANTYNE.●

PROTECTIONIST TRADE BARRIERS

● Mr. HART. Mr. President, today the Wall Street Journal published an article on trade that I would recommend to my colleagues. The article argues there has been an increase in protectionist trade barriers here in the United States over the past few years, and that these barriers cost American consumers billions of dollars while ultimately saving few, if any, American jobs.

We all realize how the unfair trade practices of our competitors penalize

American workers and businesses. Japan's spider web of bureaucratic barriers, Europe's subsidies for crop exports, the domestic content laws for automobiles in a score of nations—all these practices undermine our prosperity as they endanger the viability of an expanding world trading system.

But the lesson of today's Journal article is clear: Protectionism is no better an answer to our trade problems than the administration's laissez-faire indifference over the past 5 years. Protectionism fuels inflation, invites foreign retaliation, and eliminates jobs in unprotected industries. If we are to find a long-term and constructive solution to our record trade deficits, we must reduce our overvalued dollar, modernize our industries, push for elimination of unfair foreign practices, increase the demand abroad for American products, and protect our workers from global economic forces beyond their control.

Mr. President, I ask that the full text of the Journal article be inserted at this point in the RECORD.

The article follows:

[From the Wall Street Journal, Nov. 1, 1985]

NATIONAL DUTY: AS FREE-TRADE BASTION, U.S. ISN'T HALF AS PURE AS MANY PEOPLE THINK

(By Alan Murray)

In Sault Ste. Marie, Ontario, a Canadian shopper can buy a four-kilogram bag of white cane sugar at New Dominion Stores Ltd. for about $1.50 (U.S.).

But across the St. Marys River in Sault Ste. Marie, Mich., a 10-pound bag (4.54 kilograms) of the same sugar sells at Norden's Foodland for $3.55, roughly double the Canadian price.

The reason is simple: protectionism. To support domestic sugar producers, the U.S. imposes stiff quotas on sugar imports, keeping the domestic wholesale price far higher than the world price. "It's glaring discrepancy," says Francis Mansfield, director of the Sault-area Chamber of Commerce.

The current congressional debate over trade legislation rings with complaints that the U.S. is the last bastion of unfettered international trade in a world of protectionists. "The United States has permitted imports to gush ashore freely while not demanding comparable access abroad," asserts Sen. Lloyd Bentsen, a Texas Democrat.

AN ARRAY OF BARRIERS

But the U.S. isn't the pure free-trader that many in Congress and business seem to think. Sugar quotas are just one example of a large array of trade barriers the U.S. has built to restrict imports. High tariffs and other restrictions provide substantial protection to producers of books, benzenoid chemicals, ceramic tiles, canned tuna, rubber footwear, steel, textiles, motorcycles, peanuts, dairy products and more.

Indeed, significant trade barriers cover more than a quarter of all manufactured goods sold in the U.S., and cost American consumers more than $50 billion a year, or $450 for every working man and woman, according to Gary Hufbauer, a Georgetown University professor, in a book to be published later this year.

"We probably do less" to block imports than most of our major trading partners, Mr. Hufbauer says. "But we do a lot. We certainly protect a heck of a lot more than most congressmen say we do."

During most of the postwar period, the U.S. has been the world's leading force for free trade. Under its leadership, worldwide tariffs have been reduced sharply and trade has boomed. Average U.S. tariffs have fallen from 50% of the imports' value in the days of the Smoot-Hawley tariffs during the 1930s, to about 5% today; and European and Japanese tariffs have been reduced to about the same level.

"NEW PROTECTIONISM"

But in recent years, the U.S. has been caught up in the global trend toward a "new protectionism," establishing quotas, "voluntary" import restrictions and other barriers rather than tariffs to shield its domestic industries from foreign competition. By Mr. Hufbauer's estimate, the percentage of U.S. imports covered by protection has risen to 21% today from 8% in 1975.

"My sense is that on net, trade restraints continued to drop through most of the 1970s," says William Niskanen, chairman of the Cato Institute, a Washington think tank. "But starting in the 1980s, the increase in nontariff barriers has been greater than the reduction in tariffs."

The trend toward protectionism has accelerated in the last five years, thanks largely to the dollar's steep rise in value relative to other currencies. The strong dollar has encouraged a flood of imports by making them cheaper, increasing domestic industries' demand for protection. Although the Reagan administration claims to be vigorously opposed to trade barriers, it has found it politically impossible to fully resist these protectionist pressures.

"I think it is probably true that we are less protectionist" than both Europe and Japan, says Robert Lawrence, a senior fellow at the Brookings Institution. "Nonetheless, we have a lot of protectionism. We ought not to be necessarily as self-righteous as we are."

FOREIGNERS' VIEW

Not surprisingly, foreign officials agree with Mr. Lawrence's assessment. Says Sir Roy Denman, head of the European Communities delegation in Washington: "The good Lord did not ordain that sin only started east of Cape Cod or west of Alaska."

America's trade barriers impose large costs on U.S. consumers. And while they may save jobs in protected industries, economists say barriers reduce jobs elsewhere in the economy. As President Reagan pointed out at a recent press conference, "No one ever looks over their shoulder to see who lost their job because of protectionism."

Clothing tariffs and quotas provide a dramatic example of the high costs of U.S. protectionism. During the 1970s, the U.S. negotiated import quotas with all the major apparel-producing nations, and in 1983 those quotas were tightened substantially. The U.S. also has a tariff averaging 26% of the value on all clothing imports.

As a result, the cost of imported clothing here is more than double what it would be if the U.S. had no trade barriers, according to a recent study by the Federal Reserve Bank of New York. The study, which conservatively assumes that trade barriers don't raise the price of domestically manufactured clothes, estimates that consumers pay a tax of as much as $12 billion a year to protect the U.S. textile industry. A more comprehensive measurement, according to Georgetown's Prof. Hufbauer, puts the figure at $27 billion, or $42,000 for every job saved.

Much of that money goes to foreign companies. Textile-producing nations receive import quotas to allocate to manufacturers. Those quota rights are often auctioned off among producers, and the cost of the quota is passed on the American importer. When demand is strong, the quotas guarantee manufacturers who hold them a hefty profit.

Clothing quotas are particularly troublesome for those who sell imported apparel. Retailers say they can tolerate tariffs because they are predictable; but quotas produce wide price fluctuations and sometimes block imports altogether.

Spiegel Inc., for example, has encountered many problems since the Reagan administration tightened quotas in 1983. Leo Sansone, the company's assistant vice president for merchandising, recalls that last year the catalog company arranged to buy wool sweaters from Hong Kong at a time when sweater demand was expected to be light, and quota rights—which are auctioned off daily in Hong Kong—were selling at about $1.50 per sweater. By the time the company decided to reorder more sweaters, strong demand had caused the quota price to soar to $6.50. As a result, Spiegel had to pay $18, including shipping and tariffs, for a sweater it had expected to cost only $10.

Spiegel also recently had a shipment of wool slacks from Taiwan confiscated by U.S. officials, who said the shipment exceeded the island's quota for such slacks. The Taiwanese manufacturer authorized the shipment at the end of 1984, counting it against the 1984 quota. But U.S. Customs counted it against the 1985 quota, which it says has run out. As a result, says Terry Covone, Spiegel's import manager, "we have 150 dozen wool slacks that we've already paid for sitting in a bonded warehouse because we can't get them through customs."

Walter Killough, the company's senior vice president for merchandising, complains that "the way quotas are administered now, it's almost as if the people just want to create problems for us."

ECONOMIC IMPACT

Economists argue that such protectionist policies probably eliminate as many jobs in other parts of the economy as they save in the protected industry. For one thing, when consumers must pay more for clothes, they have less to spend on other items, leading to less employment in other industries. Most economists also believe that import restrictions usually result in reduced U.S. exports.

"I happen to believe there are no jobs saved in the economy as a whole" as a result of protectionist measures, says Mr. Lawrence of the Brookings Institution. Mr. Niskanen of the Cato Institute agrees. "By and large, the number of jobs in the economy is invariant to trade measures," he says.

Some other imported products that are protected by U.S. trade barriers:

Steel. The U.S. signed a quota agreement with the European Communities in October, 1982 limiting steel imports. At about the same time, Japan initiated a system of "voluntary" steel export restraint to avoid more-direct U.S. trade action. These measures substantially reduced European and Japanese steel shipments to the U.S., but shipments from developing countries soared in their place. In September 1984, the U.S. began negotiating more "voluntary" export restraints with other steel suppliers designed to limit total steel imports. The New

York Fed conservatively estimates that these restraints cost consumers about $2 billion a year by adding 5% to steel prices.

Book manufacturing. The U.S. book printing industry is largely shielded from foreign competition. To be eligible for U.S. copyright protection, virtually all books and periodicals published in this country must also be printed and bound here. According to Professor Hufbauer, that restriction costs consumers an estimated $500 million each year.

Ceramic tiles. Makers of ceramic floor and wall tiles are protected by tariffs that average about 25% of the import value. The cost to consumers, Mr. Hufbauer says, is about $116 million a year.

Peanuts. To prevent imports from undermining its peanut price support program, the government has kept a strict quota on imported peanuts since 1953. The approximate annual cost to the consumer, according to Mr. Hufbauer's research: $170 million.

Shipping: The Jones Act, which dates back to the 1920s, bars foreign ships from carrying passengers or freight between any two U.S. ports. This protects coastal carriers from lower-cost foreign shipping lines.

Rubber shoes. The U.S. rubber footwear industry is shielded by high tariffs that in some cases have changed little since the days of the Smoot-Hawley tariff act of 1930. The cost to consumers: $230 million. Mr. Hufbauer says.

Motorcycles. In 1983 President Reagan imposed temporarily high tariffs, starting at 49.4%, on Japanese motorcycles with engines exceeding 700 cubic centimeters. Mr. Hufbauer estimates that the tariff, designed to protect about 2,500 Harley-Davidson Motor Co. workers, cost consumers $104 million last year.

Trucks. Foreign-manufactured light trucks face a stiff 25% tariff when they cross U.S. borders. The tariff prompted creation of the Subaru "Brat," which escaped the tariff by putting bucket seats in the truck bed to qualify as a car.

Autos. Under a "voluntary" agreement, Japan began restricting auto exports to the U.S. in April 1981. As a result, according to the New York Fed, Japanese car export prices rose more than $2,000, and cost consumers an estimated $4.5 billion in 1984. That restraint agreement formally expired last March, but most observers believe the Japanese continue to restrain auto exports to prevent a flare-up of further protectionist pressure. As a result, many Japanese auto dealers in the U.S. continue to add as much as $2,000 or $3,000 in "additional dealer markup" onto the sticker price of the cars they sell.●

PROGRAM

Mr. DOLE. Mr. President, the Senate will convene at 10 a.m. on Monday, November 4, 1985.

As indicated previously, the leaders have 10 minutes each under the standing order. There will be three special orders, and routine morning business until 11.

Following routine morning business, the Senate will resume consideration of the farm bill. I urge my colleagues who wish to debate that bill—there were some here today who wanted to debate it—to be here at 11 on Monday morning. Votes are expected on Monday, I would say probably not before 2 o'clock, 2:30. We will have a couple of votes on minimum tax amendments and perhaps we can debate other amendments on the debt limit extension and transfer those votes until Tuesday, but we will work that out on Monday.

ADJOURNMENT UNTIL 10 A.M. MONDAY

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move we stand in adjournment until Monday, November 4, at 10 a.m.

The motion was agreed to; and, at 1:01 a.m., the Senate adjourned until Monday, November 4, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 1, 1985:

Department of Education

Wendell L. Willkie II, of the District of Columbia, to be general counsel, Department of Education, vice, Maureen E. Corcoran.

U.S. Arms Control and Disarmament Agency

Michael H. Mobbs, of the District of Columbia, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency, vice Henry F. Cooper, Jr., resigning.

Federal Maritime Commission

James J. Carey, of Illinois, to be a Federal Maritime Commissioner for the term expiring June 30, 1990, reappointment.

National Mediation Board

Charles L. Woods, of California, to be a member of the National Mediation Board for the remainder of the term expiring July 1, 1986, vice Robert Oberndoerfer Harris, resigned.

U.S. Institute of Peace

William R. Kintner, of Pennsylvania, to be a member of the Board of Directors of the U.S. Institute of Peace for a term of 2 years expiring January 19, 1987, new position.

Panama Canal Commission

Walter J. Shea, of Maryland, to be a member of the Board of the Panama Canal Commission, vice William Sidell.

In the Army

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Robert C. Kingston, [redacted], age 57, U.S. Army.

In the Marine Corps

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. George B. Crist, [redacted] U.S. Marine Corps.

In the Army

The following-named officers for promotion in the Reserve of the Army of the United States to the grades indicated under the provisions of article II, section 2, clause 2, of the Constitution of the United States of America:

Army Promotion List

To be colonel

Aanenson, James H., [redacted]
Adkinson, William E., [redacted]
Almonte, Joseph D., [redacted]
Almquist, Tod F., [redacted]
Arce, Jorge A., [redacted]
Arness, Franklin D., [redacted]
Atkinson, John K., [redacted]
Ballin, Arthur F., [redacted]
Baucum, William N., [redacted]
Bohne, Melvin B., [redacted]
Braunbach, Kenneth, [redacted]
Broach, Vance C., [redacted]
Brogan, James A., [redacted]
Buck, Richard S., [redacted]
Burtch, Lloyd D., [redacted]
Byrd, Lonnie D., [redacted]
Campbell, James D., [redacted]
Carter, Robert J., [redacted]
Cedeno, Francisco J., [redacted]
Chalfant, Bertram H., [redacted]
Chrissinger, John E., [redacted]
Cimino, Anthony J., [redacted]
Clapp, Donald, [redacted]
Clark, Errol E., [redacted]
Cobleigh, Gerard P., [redacted]
Cocchiola, Philip A., [redacted]
Cook, Alan W., [redacted]
Couch, James C., Jr., [redacted]
Counts, Walter D., [redacted]
Coverdale, Charles, [redacted]
Cox, Wallace G., [redacted]
Crane, Lawrence W., [redacted]
Crockett, Bruce L., [redacted]
Cummings, Paul L., [redacted]
Cunningham, Darrel, [redacted]
Daly, Hugh P., [redacted]
Darpino, Ernest R., [redacted]
Davis, Charles H., [redacted]
Dean, Benjamin F., [redacted]
Decker, Thomas E., [redacted]
Demartini, Frank J., [redacted]
Diaz, Rafael E., [redacted]
Dillard, Hugh B., [redacted]
Dipompo, Michael, [redacted]
Disney, Richard O., [redacted]
Donohue, Edward P., [redacted]
Drabik, Stephen F., [redacted]
Drake, Harry E., [redacted]
Duerr, Richard D., [redacted]
Duncan, Bobby S., [redacted]
Durkac, Valentine T., [redacted]
Eachus, Alan C., [redacted]
Echols, Charley N., [redacted]
Engels, Dennis W., [redacted]
Evans, Blythe H., Jr., [redacted]
Fanatico, Nicholas, [redacted]
Farrell, Paul J., [redacted]
Fawn, Kenn, [redacted]
Fitzgerald, James H., [redacted]
Fleming, Edward L., [redacted]
Fong, Ronald H., [redacted]
Ford, Joe M., [redacted]
Fox, Barry P., [redacted]
Fox, William I., Jr., [redacted]
Franke, Aurel W., [redacted]
Frazee, Robert M., [redacted]
Funderburk, Ronald, [redacted]
Gallagher, David R., [redacted]
Gannon, Peter A., [redacted]
Geiger, John W., [redacted]
Genthe, Charles V., [redacted]
Gentry, Lloyd R., [redacted]
Gibbs, James B., [redacted]
Gisla, John F., [redacted]

Goodden, Royal T., [redacted]
Goos, William J., [redacted]
Greenfield, William, [redacted]
Grinnell, John F., [redacted]
Grove, Richard L., [redacted]
Guerin, Robert L., [redacted]
Hagerup, Eric, [redacted]
Haworth, David S., [redacted]
Hayes, Floyd E., [redacted]
Hearn, Frank C., [redacted]
Hill, John H., [redacted]
Hixson, Luther T., [redacted]
Hjort, Gary J., [redacted]
Holmes, William W., [redacted]
Hopkins, George A., [redacted]
Idol, Tony G., [redacted]
Jacobson, Bruce T., [redacted]
Jambon, Orleans A., [redacted]
James, Dennis W., [redacted]
Janelle, Gerald F., [redacted]
Janssen, Wayne G., [redacted]
Johnson, John R., [redacted]
Kelsey, John P., [redacted]
Kiekhaefer, James S., [redacted]
Killgore, William, [redacted]
King, William O., [redacted]
Kirkwood, Jammie L., [redacted]
Kirshner, Eugene, [redacted]
Kludt, Ronald A., [redacted]
Koba, Roger B., [redacted]
Krigbaum, Phillip W., [redacted]
Landrum, Jimmy F., [redacted]
Lansford, Robert M., [redacted]
Larkin, Francis J., [redacted]
Leone, Frank Jr., [redacted]
Longoria, Ezekiel, [redacted]
Lott, Cleveland B., [redacted]
Lum, Franklin Y., [redacted]
Lytle, Thomas S., [redacted]
Madden, Donald R., [redacted]
Manassero, Michael, [redacted]
Mariniello, Joseph, [redacted]
Marshall, Lee C., [redacted]
Martin, Gerald R., [redacted]
McAlister, James H., [redacted]
McCluskey, Lawrence, [redacted]
McCracken, Charles, [redacted]
McDaniel, Darel W., [redacted]
McIlroy, Daniel F., [redacted]
McKiniry, James J., [redacted]
McManamy, James P., [redacted]
McNairy, John L., [redacted]
McNamara, Andrew T., [redacted]
Melia, John F., [redacted]
Mercer, Thomas K., [redacted]
Moeling, Branch R., [redacted]
Moore, Albert F., [redacted]
Moore, Robert D., [redacted]
Mosch, Theodore R., [redacted]
Mueller, Walter R., [redacted]
Muller, Frank W., [redacted]
Nelsen, Burnell E., [redacted]
Norman, Richard M., [redacted]
Norton, Jerry M., [redacted]
Okelley, Dewey T., [redacted]
Olson, Owen J., [redacted]
Opsahl, Erhard P., [redacted]
Palmer, William L., [redacted]
Patterson, James T., [redacted]
Petri, John L., [redacted]
Phillips, James B., [redacted]
Pickard, William M., [redacted]
Pierce, Gerald J., [redacted]
Plaschkes, John D., [redacted]
Posey, Jerry B., [redacted]
Reynolds, Travis, [redacted]
Robbins, Christopher, [redacted]
Robertson, Wayman D., [redacted]
Robinson, Gordon W., [redacted]
Rose, Patrick J., [redacted]
Rubin, Donald V., [redacted]
Santos, Earl P., [redacted]
Sasser, Joe D., [redacted]
Schumann, Reinhard, [redacted]
Schumpert, Gilbert, [redacted]
Scullin, Frederick, [redacted]
Seals, Kenneth W., [redacted]
Seaman, Andrew M., [redacted]
Siegel, Martin, [redacted]
Skaggs, David C., Jr., [redacted]
Smiley, John A., [redacted]
Smith, Donald W., [redacted]
Smith, Nathan, [redacted]
Sniadach, Louis M., [redacted]
Sperling, Richard A., [redacted]
Stewart, Carl J., Jr., [redacted]
Stofer, Gerald B., [redacted]
Subkow, Jerome J., [redacted]
Taylor, David R., [redacted]
Taylor, John T., Jr., [redacted]
Taylor, Thomas H., [redacted]
Teifair, Edward H., [redacted]
Thornton, Melvin C., [redacted]
Thorpe, Michael D., [redacted]
Towns, Robert F., [redacted]
Turk, Sam C., [redacted]
Turner, Raymond L., [redacted]
Umbarger, Earl L., [redacted]
Vance, Robert L., [redacted]
Vanore, Andrew A., [redacted]
Vaughn, Richard S., [redacted]
Walker, Donald L., [redacted]
Ware, Ezell, [redacted]
Washington, Bobbie, [redacted]
Welsh, John L., [redacted]
Wessner, William E., [redacted]
Whitehead, James E., [redacted]
Wills, Robert C., [redacted]
Wise, Kenneth L., [redacted]
Wurtele, Ronald M., [redacted]
Yost, Vaughn H., [redacted]
Young, Robert, [redacted]
Zimmerman, Jay H., [redacted]

CHAPLAIN

To be colonel

Brock, William K., [redacted]
Currey, Cecil B., [redacted]
Friend, Jan, [redacted]
Fritz, Howard W., [redacted]
Hoogerland, Thomas, [redacted]
Hoyal, James A., [redacted]
Kinnane, James F., [redacted]
Laney, Andrew M., [redacted]
Leblanc, Harold E., [redacted]
Rapp, Phillip J., [redacted]

CONFIRMATIONS

Executive nominations confirmed by the Senate November 1, 1985:

DEPARTMENT OF ENERGY

Charles A. Trabandt, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1988.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

C. Everett Koop, of Pennsylvania, to be Surgeon General of the Public Health Service for a term of 4 years.

DEPARTMENT OF ENERGY

C.M. Naeve, of Virginia, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1989.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Edward R. Korman, of New York, to be U.S. district Judge for the eastern district of New York.

Robert E. Cowen, of New Jersey, to be U.S. district judge for the district of New Jersey.

William J. Zloch, of Florida, to be U.S. district judge for the southern district of Florida.

Jane R. Roth, of Delaware, to be U.S. district judge for the district of Delaware.