Third, inspecting all vessels leaving the Iraqi Port of Basra to ensure that the economic sanctions are not being circumvented. This type of blockade is justified under existing U.N. resolutions implementing economic sanctions. While it may sound like an extreme measure to initiate a blockade, I remind my colleagues that we have a blockade of the airspace over that part of the country, which we have taken the initiative to enforce.

Fourth, and finally, entering into negotiations with oil-producing nations to encourage them to make subsidized oil sales to Jordan so that the Iraqi-Jordanian flow of oil can be shut off.

Taken together, all these measures will serve to increase Iraq's economic isolation and provide a deterrence to illegal actions. This is an approach we used successfully in confronting the former Soviet Union, and I think we should return to it right now.

Again, oil is the key to controlling the future military capability of Iraq. We must control it if we are ever going to contain Saddam Hussein.

Mr. President, that concludes my remarks. I yield the floor and 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. NICKLES. 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 President, I ask unanimous consent that the order for the quorum call be rescinded.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. NICKLES. Mr. President, I rise, one, to compliment my colleague, Senator MURKOWSKI from Alaska, for his speech in talking about the United Nations and their increase of the flow of oil. I want to make a couple comments about the administration's handling of the latest crisis with Iraq and express my very strong displeasure with the administration, because I do not think they were very open with Congress.

I met with Secretary of State Albright, Secretary of Defense Cohen, National Security Adviser Sandy Berger, and Chairman of the Joint Chiefs of Staff General Shelton on numerous occasions when we were debating what our reaction should be to Iraq's noncompliance with the U.N. resolutions allowing arms control inspectors to investigate whether or not they were building up munitions of mass destruction. I know the Senator from Arizona sat in on several of these meetings.

As you know, we were in the process of building up armed forces. We were very close to having a military strike. Some people were suggesting different alternatives. The Senator from Alaska said, ''Well, maybe we should curtail the flow of oil. We have a program that is called oil for food that has been going on for years now. Maybe if we tighten that up, it would put an economic squeeze on the Iraqis and maybe they would change their behavior and maybe we wouldn't need to drop bombs to have Saddam Hussein realize the errors of his way and that he needs to comply with the U.N. resolutions.''

I told the Secretary of State that I was upset about the fact that our international coalition has dissipated, if not disappeared. The only real strong supporter we had in this entire venture was Great Britain. We did not have strong, at least visible support, or audible support from the Saudis or from Turkey. We did not have access to the bases in those countries for bombing purposes if there was an airstrike. That bothered me a lot.

But what bothers me as much now, when we were discussing different options in lieu of a military strike, and one of the options was curtailing the flow of oil that was discussed in this Capitol with leaders of our Government, our leaders did not tell Congress that they had already agreed in the Security Council, or they were working on an agreement in the Security Council, on February 20, to more than double the amount of oil that would be used in this oil-for-food program—more than doubled.

Actually, they go from $2 billion every 6 months to $5.2 billion. They did not tell us that. Most people were not aware of the fact that before the Secretary General flew to Baghdad for his effort to avert or stop the airstrikes and achieve compliance, 2 days before, the U.N. Security Council had raised the amount of the oil-for-food program and more than doubled it. We had those sanctions on since 1991. We restricted the flow of oil to that specific amount of $2 billion for every 6 months, and then all of a sudden, just when we are getting ready to maybe have airstrikes and the U.N. Secretary General was going to go to Baghdad to negotiate a deal—he did not use it for leverage, we basically gave them the carrot—we gave him that incentive before he went to negotiate.

It just happens to be a coincidence? I do not think so. And why wasn't the administration forthcoming to Members of Congress and say, ''Well, we've already done this,'' or ''We are now negotiating the U.N. Security Council to do this.'' They did not do that. They did not tell this Senator, they did not tell other Senators that they were in the process of doing it, and that bothers me. It bothers me a lot.

I for one had serious misgivings, as I know other Members of this body did, on how far we should go in response and how much of a blank check this Congress should give this administration in dealing with Saddam Hussein, but for them to not tell the Congress or the American people, and the fact that the increase in this oil-for-food program was going forward at this very critical time—just a coincidence, I guess—is more than an oversight. It is a very serious mistake. A very serious mistake in dealing with Congress and a very serious mistake in our foreign policy as well.

So I compliment my colleague from Alaska for bringing this to our attention. And I wish to bring it to the administration's attention that some of us might have been willing to say, hey, let us use the oil-for-food program as an incentive to get him to comply. I do not think we would have said, let us give it to him, and then hope that maybe he would agree with the Secretary General. Maybe the deal was already cut before the Secretary General left. We have not heard that, but maybe that was the case. But in any case, I think the administration was not very forthcoming with Congress. And that is not a very positive sign.

I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, seeing no other Senator seeking recognition, I ask unanimous consent to speak briefly for 5 minutes.

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

Mr. MURKOWSKI. I thank the Chair.

TAIWAN MOVES CLOSER TO WTO ENTRY

Mr. MURKOWSKI. Mr. President, I rise today to call my colleagues' attention to the recent conclusion of the bilateral trade negotiations between the United States and the Republic of China on Taiwan. I think it is significant because it is this event that moves Taiwan one step closer to entry into the World Trade Organization.

This event has particular significance to me because I was a member of the Foreign Relations Committee in 1990 when Taiwan first applied for membership in the General Agreement on Tariffs and Trade, the predecessor organization to the World Trade Organization.

Then chairman of the Foreign Relations Committee, Claiborne Pell, and I and a number of others initiated a letter to President Bush, signed by 13 members of the Foreign Relations Committee, urging our Government to support the formation of a working group on Taiwan's application to GATT. A similar letter to the President, initiated by then chairman of the Finance Committee Lloyd Bentsen and ranking Republican Bob Packwood was signed by 20 members of the Senate Finance Committee.

Mr. President, I am gratified that Taiwan and the United States have reached this important milestone in our bilateral relationship. I also congratulate Taiwan for committing to adopt WTO principles at this time, particularly when many countries in the region are questioning the merits of opening doors and providing freer access to their domestic markets. Taiwan, once again, is serving as a model for the region.

Last week, members of the Finance Committee had an opportunity to meet with the U.S. Trade Representative, Charlene Barshefsky, to discuss this

issue, among others. The members of the Finance Committee attending that meeting signed a letter to Ambassador Barshefsky congratulating her and the other USTR negotiators for reaching a deal that will dramatically open Taiwan's markets to U.S. agricultural products, services, and other industrial goods.

Mr. President, I ask unanimous consent that a copy of that letter be printed in the RECORD.

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

UNITED STATES SENATE,
Washington, DC, February 26, 1998.

Hon. CHARLENE BARSHEFSKY,
United States Trade Representative, Winder Building, Washington, DC.

DEAR AMBASSADOR BARSHEFSKY: We write to congratulate you and your team of negotiators on the successful conclusion of bilateral negotiations with the Republic of China on Taiwan regarding Taiwan's entry into the World Trade Organization (WTO).

We agree with your assessment that this agreement will ''dramatically open Taiwan's market to U.S. agricultural products, services and industrial goods.'' The agreement marks an important milestone in our bilateral relationship with Taiwan, this country's seventh largest trading partner and the world's fourteenth largest economy. Taiwan's commitment to adopt WTO principles should be applauded, especially during a time when many countries in the region are questioning the merit of opening doors and providing freer access to their domestic markets. The United States should now exercise international leadership to support Taiwan's entry into the WTO at the earliest possible opportunity.

We look forward to your continued leadership on this issue.

Frank H. Murkowski, Richard H. Bryan, Connie Mack, Bob Graham, Max Baucus, Chuck Grassley, Jay Rockefeller, John Breaux.

Mr. MURKOWSKI. Mr. President, I hope that Taiwan now continues its forward march and finishes its two outstanding bilateral negotiations with the European Union and Switzerland. And I call on our administration to continue to show leadership on this issue.

I am also encouraged by the leadership of the Director General of the World Trade Organization, Renato Ruggiero, in his recent comments that, ''Taiwan's entry does not depend on China. The negotiations of Taiwan are progressing well. At the World Trade Organization we are not, fortunately, ruled by political principles.'' I hope the rest of the WTO members, the United States included, will abide by those words.

Mr. President, I am not ignoring that Taiwan's entry into the World Trade Organization faces hurdles not faced by other prospective entries. It is well known that the People's Republic of China, which is not yet a member of the World Trade Organization, has indicated that Taiwan should not join the WTO before the PRC. The optimistic solution, of course, is that the PRC conclude its outstanding bilateral negotiations with the United States and the other countries and is prepared for entry at the same time. I would certainly support that outcome. Unfortunately, negotiations with the PRC are not proceeding quickly, and there is always the risk that the PRC will decide to drop its bid for WTO entry altogether. What happens then to Taiwan? Well, that isn't addressed, Mr. President.

Fortunately, Mr. President, we are not yet faced with that situation, so I will not speculate on possible alternatives. But it does call to mind the delicate nature of the three-way relationship between the United States, the Republic of China on Taiwan, and the People's Republic of China.

Recently, comments of Dr. Arthur Waldron, a prominent Asia scholar and a professor of international relations at the University of Pennsylvania, have been brought to my attention because of the insight that he offers on American policy on this triangular relationship.

I would like to share with my colleagues some of the observations Dr. Waldron made at a recent forum hosted by the American Enterprise Institute.

Dr. Waldron said that, ''although we have a military policy toward the two sides of the Taiwan Strait, we don't really have a political policy.'' He was referring, of course, to President Clinton's decision in 1996 to send a pair of aircraft carriers into the region when the PRC began a series of missile tests in the Taiwan Strait on the eve of the first direct democratic presidential elections in Taiwan.

Waldron argues that, while the United States showed military support for Taiwan in 1996, there has been little discussion of a long-term political policy. One of the reasons he says—and I agree—is that, ''there are all kinds of taboos around,'' particularly with regard to the language we use when discussing the issue. ''We have a very strong relationship with Taiwan, but we're not allowed to go public with it,'' Waldron said at last month's forum.

We can't call them by their official name. You even look in the CIA guide and it has Taiwan, and where it says ''official name'', it says ''none.'' It's called the Republic of China, or the Republic of China on Taiwan. Those who work for our government aren't allowed to say that. I don't know why.

Waldron believes that the American policy toward the PRC-Taiwan issue is based on similar problems of language. The three communiques between the PRC and the United States, along with the Taiwan Relations Act, outline the official U.S. position on the issue, which is that the United States supports ''peaceful reunification'' of the two sides of the Taiwan Strait. But in the 1970s, when the first two communiques were signed, it was generally thought that Taiwan would not survive on its own for very long. ''There was a real underestimation of the resilience, the capability of Taiwan and its people. There was a sense . . . that they would reach some sort of an agreement with the PRC, which would eliminate this issue,'' he says.

Of course, that has not happened, Mr. President. And today, with the PRC's Communist regime still in place and Taiwan's democracy growing every day, it is unlikely to happen any time soon.

Waldron calls the current situation ''the policy of denial.'' ''The idea is if you can get everybody in the world to say that Taiwan is no more than a renegade province, then somehow it will become a reality. Well, just having somebody say that something is so doesn't [necessarily] make it so,'' he said at the AEI forum.

Waldron concluded his remarks last month with the comment that he was not calling for ''a sudden and dramatic change in policy.'' Instead, he said:

What I am calling for is a change in the way we talk and the way we think. We have to start saying to ourselves, suppose that there isn't going to be this wonderful peaceful unification that we've all been talking about, suppose Taiwan keeps on developing the way it is, with even more legitimacy in its political organizations, freer speech and independent capabilities that make it impossible for anybody to compel them. And suppose the PRC doesn't evolve in ways that would make a solution more possible. What should we do? Let's call things by their true names, and talk about real possibilities and real scenarios for the future, rather than imagining that somehow this problem has been solved.

Mr. President, I found Dr. Waldron's comments refreshing. Back in 1993, I requested a hearing on Taiwan in the Foreign Relations Committee on how we could update our relations with Taiwan. This hearing was delayed for over a year as the administration completed the ''Taiwan Policy Review.'' That review was finally released in September 1994. Although the administration did take some positive steps, which I welcomed, it left unanswered many of the inconsistencies that Dr. Waldron discussed.

Further on the subject of Taiwan, Mr. President, yesterday's Washington Post carried yet another in what is clearly a series of Clinton Administration trial balloons on the subject of a Taiwan-Beijing dialogue. This article, authored by former Assistant Secretary of Defense Joseph Nye, indicates the Administration is continuing to use third parties to increase pressure on Taiwan to return to the negotiating table with Beijing.

I, for one, would welcome fruitful dialogue between Taiwan and Beijing, but I think we in the United States would do well to ensure that it takes place on mutually satisfactory terms.

We promised Taiwan in 1979, when we withdrew recognition of the Republic of China, that we would never pressure Taiwan into direct negotiations with the communist authorities on the mainland.

I am troubled by Dr. Nye's thesis and the whole premise of the messages the Administration his been sending to Taipei through former government officials. That is, that Taiwan should

hasten to sit at the negotiating table with a nuclear super power that refuses to renounce the use of force against Taiwan's democracy. I believe a renunciation of the use of force by Beijing would be an important demonstration of good will and would facilitate a meaningful dialogue so our democratic friends in Taiwan are not pressured by Washington to negotiate with a gun to their head.

Further, Dr. Nye states that the United States should publicly announce that it will not defend Taiwan if Taiwan declare independence. While I agree that it is undesirable for Taiwan to declare independence, I think Nye's logic is backward. Do we want to encourage people to think that Taiwan is ripe for the picking? Our policy of creative ambiguity has long served U.S. interests. So has our demonstrated readiness to use force, as we did when we introduced the two carriers into the Taiwan Strait two years ago when China tried to intimidate the people of Taiwan on the eve of their presidential election. I believe we should not change this policy. The U.S. should continue to be prepared, under appropriate circumstances, to deploy our defense resources in support of democracy in Taiwan.

Finally, Dr. Nye suggests that there is nothing but second class status in Taiwan's future. I do not think that the United States should endorse such a fate for the proud, free democratic people of Taiwan. With creative solutions, I hope Taiwan can assume its full and rightful place in international organizations. I don't think the United States through current officials, former officials or trial balloons should walk away from our support in this regard.

As President Clinton prepares for another summit with President Jiang of China, I hope that he will take into consideration Dr. Waldron's comments and the input of interested Members of Congress who have long followed this issue. Taiwan is a strong democracy. It is not going to simply bow to coercion from China. The United States should recognize this and work to find a policy that will ease regional tensions and promote future stability in the Asia-Pacific area.

Thank you, Mr. President.

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

The PRESIDING OFFICER (Mr. ALLARD). The clerk will call the roll.

The assistant legislative 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.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1997

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1718 TO AMENDMENT NO. 1676

(Purpose: To require the Secretary of Transportation to reduce the amounts made available under the bill for fiscal year 1998 by the amounts made available under the Surface Transportation Extension Act of 1997)

Mr. CHAFEE. Mr. President, last Friday, I sent to the desk an amendment numbered 1718. I ask to call up that amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE] proposes an amendment numbered 1718 to amendment No. 1676.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. CHAFEE. Mr. President, this is an amendment, as I said, that I sent to the desk last Friday. It would require the Secretary of Transportation to reduce the amounts made available under the so-called ISTEA Act for fiscal year 1998 by the amounts made available under the Surface Transportation Extension Act of 1997, the so-called 6-month extension.

Last year, Mr. President, as you recall, in the latter part of the calendar year, around October, the Senate passed a 6-month extension of the ISTEA legislation which allowed States to use their unobligated balances to fund eligible transportation projects. It also allocated an additional $5.5 billion in new money to the States. The Senate agreed to provide that $5.5 billion on the condition that the amounts allocated to the States under the ISTEA II legislation in fiscal year 1998 would be reduced by the amount each State received for the 6-month extension. In other words, under the legislation we are now considering, Mr. President, we provide money for the entire fiscal year of 1998.

What this amendment would do is say the amounts we previously gave the States in October for this fiscal year will be deducted from the total amount that we provide for the entire fiscal year for them. By the way, Mr. President, the amounts would be allocated to each of the categories for which they had received that amount previously. For example, the amount each State will receive in the surface transportation program, so-called STP funds, under ISTEA II will be reduced by their portion of the more than $1 billion provided in STP funds for the 6-month extension.

There are several reasons why this reduction is necessary. First of all, ISTEA II provides money for each fiscal year 1998 through 2003. It does not provide a half-year amount. If this reduction is not required and agreed to, the States would receive one and one-half times as much as they should for 1998 and our bill would be subject to a point of order. Second, the reduction ensures that each State will receive money based on the new formula provided in ISTEA II instead of the old formula, or amounts received in the past.

We worked long and hard to update this formula to make it as fair as possible.

Mr. BAUCUS. Mr. President, this is essentially a bookkeeping amendment to prevent double counting and to make sure that moneys States do receive under the new ISTEA highway program are according to the new formula rather than the old formula. It is really very straightforward—to prevent double counting.

There is no reason why this should not pass.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1718) was agreed to.

Mr. CHAFEE. I move to reconsider the vote.

Mr. BAUCUS. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1841 TO AMENDMENT NO. 1676

Mr. CHAFEE. 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 Rhode Island [Mr. CHAFEE] proposes an amendment numbered 1841 to amendment No. 1676.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. CHAFEE. Mr. President, this amendment makes several technical clarifying and noncontroversial changes to the underlying legislation.

Mr. BAUCUS. Mr. President, I urge adoption. These are truly technical amendments, clarifying amendments, truly noncontroversial. It should pass.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1841) was agreed to.

Mr. CHAFEE. Mr. President, I move to reconsider the vote.

Mr. BAUCUS. I move to table the motion.

The motion to lay on the table was agreed to.

Mr. CHAFEE. Now, Mr. President, we are waiting for those who are going to present the Finance Committee amendment, which I hope will be soon.

Pending that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.